

HIGHWAY FROM HELL!

In this issue:

► **Gas Tax
Honesty Campaign
continues**

► **Should
provinces
collect their own
income taxes?**

► **How many
Canadians
work for the
government?**



From the editor

Troy Lanigan is the CTF's
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Victory for Accountability

There are two significant events stemming from the recent Ontario election. First, the province's *Taxpayer Protection Act* worked. And second, are the new Liberal government's campaign promises surrounding democratic reform, which, if implemented, would be historic.

CTF supporters will recall then Ontario director Paul Pagnuelo securing the signature of Mike Harris on the CTF's Taxpayer Protection Pledge during the 1995 Ontario election. That pledge committed a Harris government to subject new or increased taxes to voter approval, make balanced budgets the law and dock the pay of politicians should the province fall into a deficit.

It took some reminding, but in 1999 Ontario's *Taxpayer Protection Act* became law.

Fast forward to 2003 and your CTF set out to recommit a new set of leaders to the same law. And so, during this recent campaign, both former premier Ernie Eves and Liberal Leader Dalton McGuinty signed your CTF's Taxpayer Protection Promise.

And it worked. Especially when it came to taxes.

The 'voter approval' mechanism for tax increases in the law requires a province-wide referendum or a public statement to the province's Chief Electoral Officer during a campaign. Mr. Eves presented his plan to grant municipalities greater taxing authority and Mr. McGuinty presented his plan for increased business taxes.

And while this organization does not celebrate tax increases

“Voters were specifically informed of what their tax rates – down to the dollar – would be for the next four years, by law, before they voted.”

of any sort, we do celebrate the transparency and accountability the Act provides. Voters were specifically informed of what their tax rates – down to the dollar – would be for the next four years, by law, before they voted. To this scribe's knowledge, this is a Canadian first. Moreover, it is a significant and measurable achievement by your CTF.

If Mr. McGuinty now wants to balance his province's books

through tax increases, he'll first have to go to taxpayers in a province-wide referendum for their permission. It's a law the new premier signed with an oath. Taxpayers should expect no less in every other province and federally.

The second major event stemming from this election is Mr. McGuinty's campaign commitments on democratic reform. Stealing a page from Gordon Campbell, the Ontario Liberals are committing to

- among other things
- fixed election dates, a ban on partisan government advertising and a referendum on changing the voting system.

These black and white commitments go beyond the usual vague and meaningless promises of free votes and 'listening to the people'. Enough paste has flowed from the tube in British Columbia that it will be impossible to put the lid back on. Could the same unfold in the country's most populous province? If the measured success in upholding the *Taxpayer Protection Act* in this election campaign is any indication: the answer is a resounding yes.



The Canadian Taxpayers Federation (CTF) is a federally incorporated non-profit and non-partisan organization dedicated to lower taxes, less waste and accountable government. Founded in 1990, the Federation is independent of all partisan or institutional affiliations and is entirely funded by free-will, non-receiptable contributions. All material is copyrighted. Permission to reprint can be obtained by writing the administration office. Editorial cartoons are used by permission. Printed in Canada. Post Office: Agreement number 40063310. Return all undelivered copies to: Canadian Taxpayers Federation, 105 - 438 Victoria Ave. East, Regina, Sask., S4N 0N7

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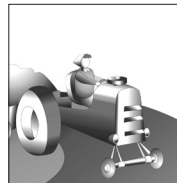
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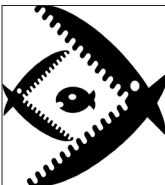
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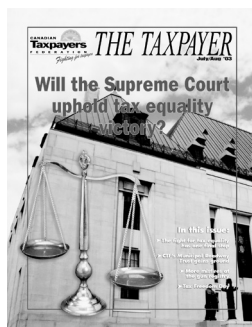
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Letters-to-the-editor



Congratulations to Troy Lanigan for his July/August "*Taxpayer*" editorial pointing out that Paul Martin is worse than Jean Chretien for taking a stand on issues.

Canadians should be very concerned about someone who seeks public office, but refuses to make his opinions known in advance. Lanigan's comparison between the arrogance of federal Liberal politicians and the one party Soviet state was painful but accurate.

Logan Wenham
Victoria, BC

BC Premier Gordon Campbell (*Taxpayer* July/August 03) offers a wonderful solution to anyone complaining about his government's tax cuts: write a cheque. [Undertaxed taxpayers] are welcome to donate more of their income to the government. Here's the interesting part; they can even specify *HOW* their money is to be spent.

What if the tax PAYER was also the tax SPENDER? Imagine, a national, provincial, or mu-

nicipal government giving control of budgeting over to those whose money they are spending.

The overhaul I propose would be to allow the taxpayer to specify how they wish to allot their tax dollars to various departments as they fill out their tax forms. They would know exactly where their income tax dollars are going, and ensure that the recipients are not useless or objectionable.

In the distant past it made sense to elect governing officials to spend our money for us. But now we have the printing press and internet. Government budgets can be downloaded in seconds. The news informs us of the events going on around us as they happen. Why are we still letting others do our thinking for us? That could change, if we wanted it to.

Paul Buller
Edmonton, Alberta



In his Ontario Report for the May/June 2003 issue of *The Taxpayer*, Ontario Director John Williamson had a good

idea concerning property taxes. His idea was to replace the present market-value type of assessment system with one based on services received.

There is a great need for this on rural acreages. At the present time, on an acreage out in the country, one receives essentially no services. Normally one has no piped-in water, no garbage service, no sidewalks and no paved roads. Essentially, all one gets is a badly maintained dirt road with inadequate gravel on it and potholes. This, despite paying high taxes.

J.P. Jones
Calgary, Alberta

Government squeeze

I am a taxpayer who is being squeezed by our government to pay taxes on time and with penalty after losing my job. Our government has given \$39 million to 96% of the top civil servants. On top of that Radwanski was forgiven nearly \$300,000 of personal income taxes — yet I who have contributed taxes equally and on time for the past 20 years, am being constantly harassed and squeezed to pay taxes with four kids to support, no income, on the edge of personal bankruptcy and a government lien against my house.

The common folk are

Letters-to-the-editor

talking amongst themselves about their outrage.

Susan Anderson
Hull, Quebec

Treaty 8: Yeas and Nays

It's okay with me if Indians receive an exemption. After all, we barged in and totally wrecked their way of life. The country belongs to them. We robbed them.

Doris Dell
Calgary, Alberta

We were happy to hear that finally there are some people who believe that enough is enough with regard to [giveaways] for Indians. Thank-you for your fight for equality.

Wilma Essex
Winnipeg, Manitoba

We took their country from them in return for promising not to tax them. Now you want to go back on that? You are either insane, racist or both.

Dr. Bill Hanson
Port Rowan, ON

I am covered under Treaty 8 and halleluiah we natives are finally getting some recognition. Go take a hike and pay up for past robbery.

R. Raven
Richmond, BC

The CTF accomplishments are remarkable – bracket creep killed, balanced budget laws, no more boondoggles legislation, MLA pension reform, just to name a few.

The Treaty 8 appeal to the Supreme Court must be defeated. To help continue your fight for ordinary Canadians I am happy to support the CTF.

Alfred Barlage
Edmonton, Alberta

I have worked lived and learned alongside our Indian brothers and sisters. They had a tremendous sense of pride. We have taken that away from them by paying them guilt money to cover up injustices of the past. We have stunted their growth. With easy money, not earned, dependency became a disease. Boredom leads to abandonment of self worth. Social ills are the predictable outcome that affect us all.

A. Keet
Ingersoll, Ontario

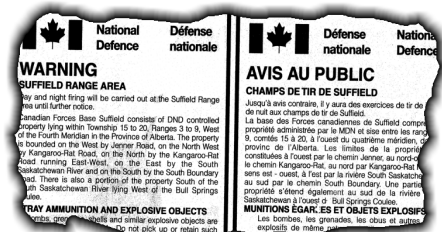
Microsoft North?

I really enjoyed Saskatchewan director David MacLean's August 4th article (NDP Continues Steady March into Province's Private Sector) on taxpayer.com.

With all the hype in this province lately about our "positive" future, I feel like I am turning into a bitter pessimist. This province is in serious trouble and the naïve approach to our problems leaves me frustrated. The amount of pride dripping from the speeches of politicians

in regard to the creation of call centre jobs would make one think that this is Microsoft North. They don't realize that call centre jobs are low wage, low-end jobs. The reason these call centres are coming to Saskatchewan is because the province is so poor they can hire cheaply and the NDP will give them free money to do it.

Jeff Hodgson
Saskatchewan



Baffling Bilingualism

In the past couple of months I've noticed the federal government has been running advertisements in the *Calgary Herald* right next to duplicate ads in French. Not only is this twice as expensive, but would seem a little unnecessary considering anyone who couldn't read English likely wouldn't be reading the *Herald*.

This seems like another bit of twisted logic from the Liberals who either feel the need to push the envelope of official bilingualism or can't think of anything better to do with our tax money.

Don Kew
Okotoks, Alberta

Waste Watch

Addicted to money

The RCMP recently laid charges against Paul Francis Cochrane. A former assistant deputy minister at Health Canada, Cochrane was charged with seven counts of fraud and one count of breach of trust. The charges stem from grant money directed to the now defunct Manitoba-based Virginia Fontaine Addictions Foundation centre. The foundation received between \$5 and \$6 million in grants from the federal government's First Nations and Inuit Health branch, which was managed by Cochrane.

When revelations first broke in 2000 of possible misappropriation of funds at the centre, Cochrane along with members of the addiction centre were on a taxpayer-funded cruise trip. After further scrutiny, Health Canada pulled its funding for the Centre and suspended Cochrane without pay. In December 2001, Cochrane took early retirement.

The RCMP continued their investigation and now two years later, they allege that Cochrane directed government funds to the foundation in exchange for payoffs. These alleged bribes included:

- A \$50,000 cash payment from Perry Fontaine, who along with his wife and daughter, ran the addiction centre;
- Two 1997 Jeep Cherokees, one of which was given to Cochrane's son Jeremy and a green 2000 Nissan Xterra Sport Utility vehicle for Cochrane's son Lucas. The vehicles showed up on Cochrane's driveway days after the funding

agreements for the addiction centre were approved.

- Four ice-level season tickets for Ottawa Senators NHL hockey games in 1998, 1999 and 2000.
- Two income tax charity receipts totalling \$10,000 for donations that were never made to the foundation.
- An undisclosed number of trips given to Cochrane and his family between July 1999 and 2000.

The RCMP also charged Cochrane's son Jeremy and his assistant at that time, Aline Dirks, each with one count of fraud. The police allege that Cochrane and Dirks directed grant money to Jeremy as salary, even though he never worked at the centre.

So where did Cochrane go after he resigned from Health Canada? Well, between December 2001 and June 2003, he found contract work at Federal Public Works and Human Resources Development Canada. Apparently, Cochrane's job qualifications and work experience were the perfect match for jobs in these departments.

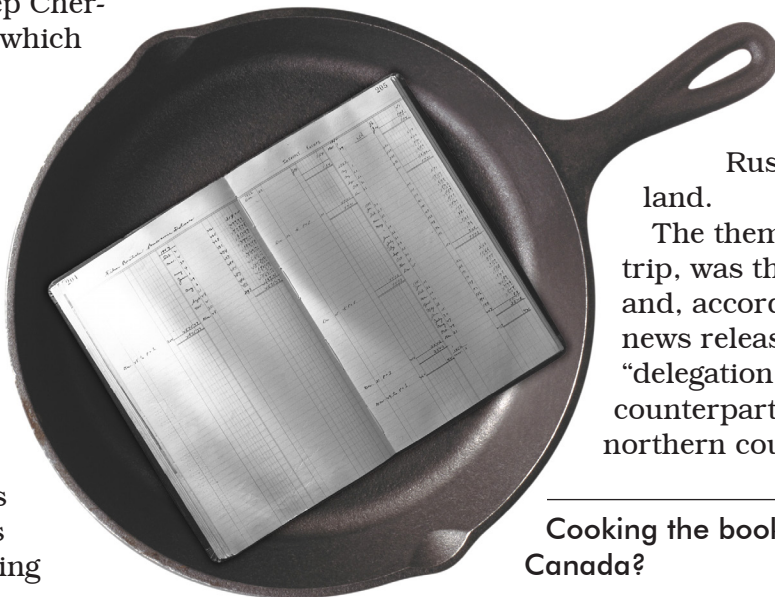
With files from the *National Post / Globe and Mail* / CBC News

Madame Clarkson's Ice Capades

Canada's Governor General, Adrienne Clarkson's 3 1/2 week extravaganza took her — along with 59 other "exceptional Canadians" — on a whirlwind tour of Russia, Finland and Iceland.

The theme of this junket, er, trip, was the Modern North and, according to the official news release, during the trip "delegation members will meet counterparts in these three northern countries and par-

Cooking the books at revenue Canada?



Waste Watch

ticipate in a variety of public discussions, roundtables and events focusing on the challenges and realities of working in the northern environment, as well as on the common links and endeavours we share living in the circumpolar world.”

It sounds like Adrienne has lost contact with the real world.

Cultural events were also scheduled — book readings, film screenings and concerts. These events, according to Adrienne’s news release, promised to feature a lot of ‘cultural affirming.’

The group also hosted a number of wine tasting parties. Apparently, Adrienne’s husband — socialist author John Ralston Saul — is an obsessive wine connoisseur and enjoys drinking ... err ... promoting Canadian wine on Adrienne’s trips.

So how much did this tour set taxpayers back? Well, it’s hard to nail down a figure. Clarkson’s office is somewhat reticent to give out any numbers. They either don’t know or simply don’t care.

The best estimates, say it will cost at least a million dollars, but since Clarkson is involved it’s best not to put a cap on the figure. Since she took office, Clarkson has increased the budget of the Governor General’s office from \$11 million to \$19 million a year.

So who was included in this list of “exceptional Canadians?” Well, aside from a number of MPs and Senators, this list included:

- John Weibe, CEO of the Asia Pacific Foundation of Canada: Since Iceland and Finland

Federal bureaucrats smiling all the way to the bank.

are about as far as you can get from Asia, he was a natural choice.

- Bob Rae: As the former NDP premier of Ontario, he was well informed on intricacies of waste and his expertise no doubt proved invaluable on this trip.
- Dyane Adam, the commissioner of Official languages: Since neither English or French was spoken by the three countries being visited, Dyane was no doubt a significant addition to this team.

Governor General’s News Release / National Post / Globe and Mail

Mad Kyoto disease

Kyoto propagandists have convinced New Zealand government officials that their country’s 45 million sheep and 10 million cows are causing global warming. According to these so-called Kyoto experts, the flatulence being released by these animals causes about 50% of the country’s greenhouse gas emissions.

In response, the New Zealand government unveiled plans to impose a yearly \$6.6 million tax on its farmers -- approximately \$300 per farmer.

The tax — based on the size of the toot — works out to about 15 cents for each sheep and \$1 a cow. The farmers gloomily refer to it as the Farm Animal Ruminant Tax (FART). Apparently, the government will use the money collected by FART to study how the size of animal emissions can be reduced.

With files from the Globe and Mail / Global National

A penny wise, a billion foolish

Human Resources Development Canada (HRDC), the department in charge of Employment Insurance, recently sent Matt Huston, a farmer of Delburne



Waste Watch

Alberta a bill for four cents. Along with this bill came an ominous threat that his bill would be turned over to a collection agency if Huston didn't cough up the 4 cents within 15 days.

Apparently, Huston owed the government \$10.78 plus 4 cents in interest for unpaid EI premiums. Huston sent EI a cheque for \$10.78 and ignored the interest.

Aside from the paper, envelope and administration costs, the stamp was 11 times more than the government stood to collect.

When Huston went public with the notice, HRDC quickly backed down from their threat and sent Huston a letter of apology. HRDC officials acknowledged that it was uneconomical for the government to send out bills worth less than \$2.

All this fuss over 4 cents, from a department that squandered \$1 billion handing out grants to Liberal ridings prior to the last federal election and much of the money is still unaccounted for.

With files from the LeaderPost

Scared of Yellow

After paying Mississauga based Sage Research Corp. \$38,000, the RCMP removed the colour yellow from its website. The RCMP is also reducing its use of yellow on printed materials such as business

cards and promotional materials.

Sage organized eight focus groups across the country to find out what Canadians thought of the RCMP's colour schemes. Participants in the focus groups liked the colour red, but described yellow as cowardly and taxicab-like.

With files from the National Post

Dumb and dumber

You'll be pleased to learn that your tax dollars enabled Ottawa to pitch our country's national gun registry at a week-long conference on gun control.

The cost for the Canada's firearm registry — which has turned into a national disaster — is hurtling towards the \$2 billion mark. The registry doesn't work. Everything has been registered from welding to glue guns. Anybody can get a license, including known gang leaders and felons. Illegal weapons are licensed and in the process legalized. The registry is so muddled that names along with rifles are constantly being mixed up.

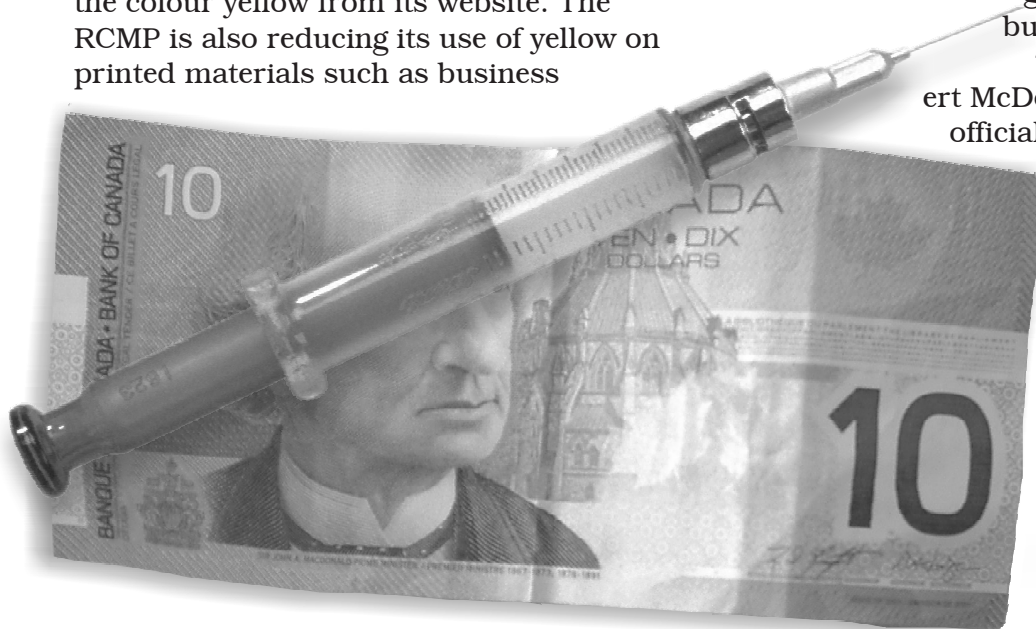
Add into this mix, millions of guns are still not registered, recent court ruling exempting the Inuit and several provinces which refuse to prosecute offenders and the gun registry becomes all but useless.

These facts aside, Robert McDougall, a Foreign Affairs official, led a delegation from

Canada espousing the glories of Canada's gun registry.

Fortunately, saner people were also in attendance, informing the assembly how the system is actually working in Canada. They added that if a technological-ly advanced country

Addicted to money



Waste Watch

such as Canada can so systematically botch the registry, what hope do third world countries have.

According to reports, Canada has taken a leading role at the United Nations in a push for a worldwide gun registry.

With files from the National Post

Are the lunatics running the asylum?

After the media caught wind of what they were doing, the Manitoba government scrapped its order for 40,000 flavoured condoms. The condoms, featuring such flavours as vanilla, strawberry and banana were intended for distribution in Manitoba jails and youth centres.

The bill for these taxpayer subsidized treats was \$8,400.

Justice officials — in a sordid effort to justify the purchase — stated that the flavoured condoms would “be more usable by inmates.”

The government will instead order a smaller quantity of the cheaper, non-flavoured condoms. However, officials stated that they will revisit the plan to order a bulk supply of flavoured condoms at a later date.

With files from the Regina Leader Post

No pink slips here

Ottawa paid out nearly \$40 million this past year in bonuses to its senior managers. This included \$36.2 million paid to senior bureaucrats and \$2.9 million forked over to deputy ministers.

The money is intended to reward senior managers for exceptional work. But what is particularly offensive is that

the bonuses were paid out to 96% of senior public servants and 95% of deputy ministers. This includes the majority of the bureaucrats who handled the gun registry, the HRDC billion-dollar boondoggle and the contract scandal at Public Works. This even included senior officials at the Privacy Commissioner’s office — despite the fact a number of them tried to cover-up the expense account abuses of their former boss, George Radwanski.

While in the private sector, such individuals would be rewarded with pink slips for such upstanding work, Ottawa chooses to reward their incompetency with hard cash.

The only question unanswered, is what do the remaining handful of senior bureaucrats, who didn’t qualify for the bonus, have to do to get one?

With files from The Waste Report

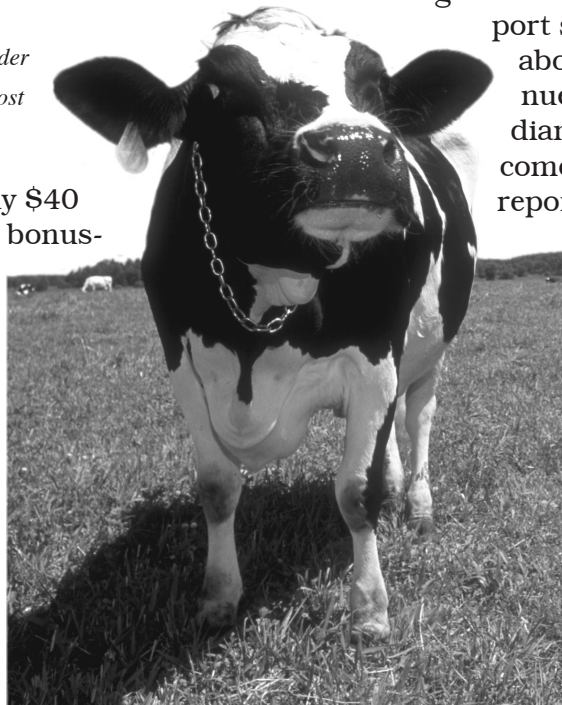
Cooking the books: learning from the master

The Canadian Revenue and Customs Agency (CCRA) handles the collection of taxes for the federal government. In 1999, the auditing division at the agency released a report stating that Ottawa loses

about \$4.3 billion in tax revenues each year because Canadians are cheating on their income tax returns. Further, the report added that 43% of tax filers are involved in these illegal activities such as not declaring their full income or overstating deductions.

The report — based on an analysis of 1,500 tax returns — stated that if the feds hired more auditors, these losses could be substantially reduced.

All politicians smell are tax dollars ...



Waste Watch

However after the study was released, some CCRA officials were suspicious that this 43% statistic was unreasonably high. So, they asked StatsCanada officials to take a second look at the study.

What StatsCanada discovered is that the audit division had cooked the books. They had studied 1,500 tax returns, but instead of doing a random sample — which would give an accurate picture of tax avoidance — they selected individuals that would guarantee a disproportionate number of cheaters.

Assistant CCRA commissioner David Miller stated that by inflating the numbers, “the [auditors’] offices were looking at this as a great way to get additional resources.”

Whether you are stealing from the government or stealing from taxpayers, it’s still called fraud.

With files from the National Post

Missing war criminals

According to a recent Access to Information request, Citizenship and Immigration Canada (CIC) lost track of 59 war criminals. All had applied for refugee status in Canada and had been refused. However, instead of detaining the individuals, the government allowed them to go free in Canada with orders to later return for deportation.

The majority of the individuals are known war criminals with the remainder classified as war criminal suspects or members of terrorist organizations.

The list consists of war criminals from all parts of the globe — the Middle East, Eastern Europe, Africa, Asia and Latin America. This includes countries with par-

ticularly notorious reputations as havens for terrorism such as Algeria, Pakistan, Egypt and Lebanon.

In addition, many of these individuals had been convicted for such crimes as murder, theft and drug dealing. In fact, CIC labelled one missing Kashmiri militant as ‘armed and dangerous.’

So why is the Department releasing these hardened criminals into Canadian society? A former senior official in the Department of Foreign Affairs stated, “The obvious solution would be, once they are definitely due for removal to detain them. Of course, we don’t do that and I guess there’d be a huge squawk from the lawyers if we did...”

These individuals have disappeared in cities across Canada, including Edmonton, Montreal and Kitchener.

So what is the Department doing to catch these war criminals? Apparently, as little as possible — it doesn’t want to upset the immigration lawyers.

The Department also refuses to release photographs and descriptions of these individuals to the police so they could be apprehended. Ottawa apparently believes this would infringe on their privacy rights!

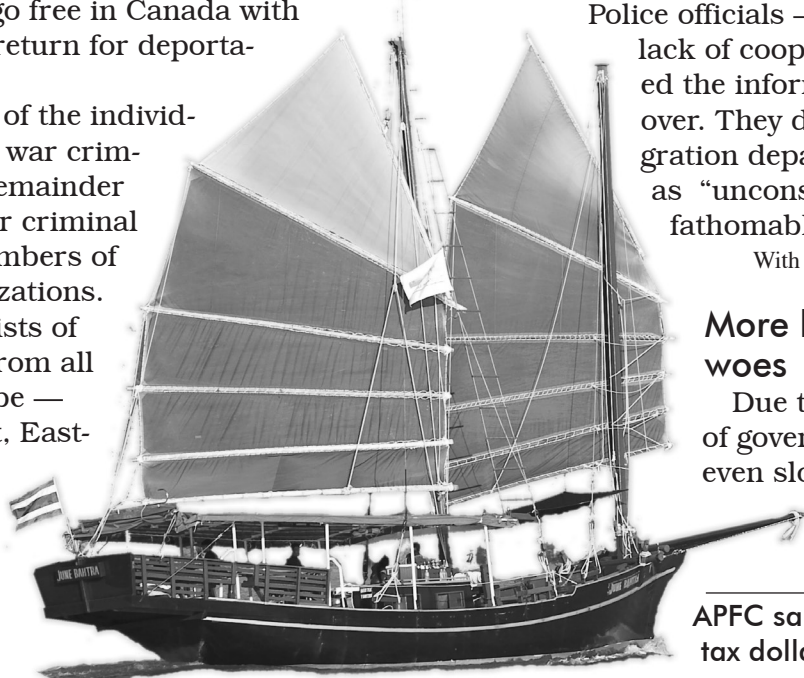
Police officials — stunned by CIC’s lack of cooperation — demanded the information be handed over. They describe the Immigration department’s actions as “unconscionable” and “unfathomable.”

With files from the National Post

More health care woes

Due to the slow wheels of government turning even slower, a brand new facility, Access River East in

APFC sailing on a sea of your tax dollars



Waste Watch

Winnipeg will remain closed and unoccupied until at least February of 2004. To add insult to injury, taxpayers are now on the hook for \$65,000 a month in rent to pay the lease of an empty building. If the facility opens by February, nearly \$600,000 will have been wasted while government bureaucrats get their act together.

Originally slated to open in October of 2003, the new community clinic was to provide essential services to Manitobans — a one-stop shop for health and social services. With 200 employees to work in the facility, Access River East is just what the doctor ordered in terms of health care delivery in Manitoba — but thanks to government bungling of the deal, taxpayers are feeling the pain. This situation raises serious questions about similar projects planned over the next few years.

Putting this into perspective for a moment, \$585,000 could have gone towards paying the annual salary of nine nurses or five General Practitioners, 790 knee procedures, 1000 MRI scans, 2300 chemotherapy treatments or 1500 biopsies, 983 mastectomies or 1100 transfusions.

CTF Manitoba

Rolling in dough

To say it's rolling in dough would be an understatement.

The Asia Pacific Foundation of Canada (APFC) was created in 1984 by an Act of Parliament. It describes itself as a non-profit think tank that deals with Canada-Asian relations. The group has since created two subsidiaries, the Globe Foundation of Canada and the Ca-

nadian Education Centre Network Inc.

These three groups produce a variety of reports on Asia-Canadian issues, organize workshops and exchange programs, provide scholarships and promote trade.

These non-profit foundations receive the bulk of their funding from the Department of Foreign Affairs and the Canadian International Development Agency — a federal slush fund for international aid.

When APFC was initially set up, Ottawa anticipated the foundation would be self-sufficient within five years. Well, 19 years and \$24 million later, Foreign Affairs is still pouring money into the non-profit organization to the tune of \$2 million a year.

However, the term non-profit is bit of a misnomer. A recent audit of APFC discovered that Ottawa gave this non-profit group more money that it could possibly spend. As a result, the APFC set up reserve funds to stash the extra cash — almost \$2 million worth.

The Agency's two subsidiaries, the Globe Foundation of Canada and the Canadian Education Centre Network Inc. are even richer. Thanks to Canadians' generous contributions, these groups are bobbing around in \$4.8 million of unspent tax dollars — squirreled away in reserve funds.

The federal government apparently poured money into these agencies with little or no accounting of how the money was spent. Since this information was released, Ottawa has decided to reduce its funding and change the subsidies to a project-oriented format.

With files from the *Globe and Mail*, Asia Pacific Foundation of Canada website, Department of Foreign Affairs and International Trade



So how did this former assistant deputy minister come by his NHL season tickets?

Saskatchewan wins dubious distinction:

HIGHWAY FROM HELL...

Cover story

by David MacLean

Sometimes the only way to achieve policy change is through embarrassment. Your CTF's Highway From Hell contest – aimed at raising awareness about the extent to which Canadians are robbed by Ottawa at the gas pumps – did exactly that.

The Highway From Hell, part of your CTF's fifth annual Gas Tax Honesty Campaign launched this past May, invited motorists and taxpayers from across Canada to nominate the country's worst stretch of road. The road would symbolize Ottawa's dismal track record for re-investing gas tax revenues into the country's roadways.

The response was overwhelming. Nominations poured in from across Canada, representing every province and territory in the country. Fuelled by soaring gas taxes and a never-ending supply of decaying roads, this year's Gas Tax Honesty Campaign is shaping up to be the best ever. Most important, the politicians are starting to pay attention.

CTF supporter Bruce Hildebrand of Grenfell, Saskatchewan nominated this year's Highway from Hell winner: Saskatchewan's Highway 47. In fact, this road stretches the limits of the definition of the word "highway." Highway 47 begins at the Trans Canada, west of Regina, and heads south through Estevan to the American border. Drivers will note the rapid transitions from mangled, pot-holed pavement to deep gravel. Because of its treacherous conditions and the fact that visitors from the United States or other provinces may be the hapless victims of this



Highway 47 dubbed worst road in Canada

treacherous road, 47 gets the nod as Canada's worst highway.

For his troubles, contest winner Bruce Hildebrand will receive a complimentary wheel alignment. By the sounds of things, he'll need one.

While Saskatchewan hosts Canada's worst highway, the federal government's neglect of the Trans Canada earned it a dishonourable mention as did Manitoba's Highway 8.

Your CTF's Gas Tax Honesty Campaign is making a huge splash in the media this year, with national headlines and even some attention south of the border. The purpose of the campaign is to show Canadians how much they're being gouged at the gas pumps by the various levels of government.

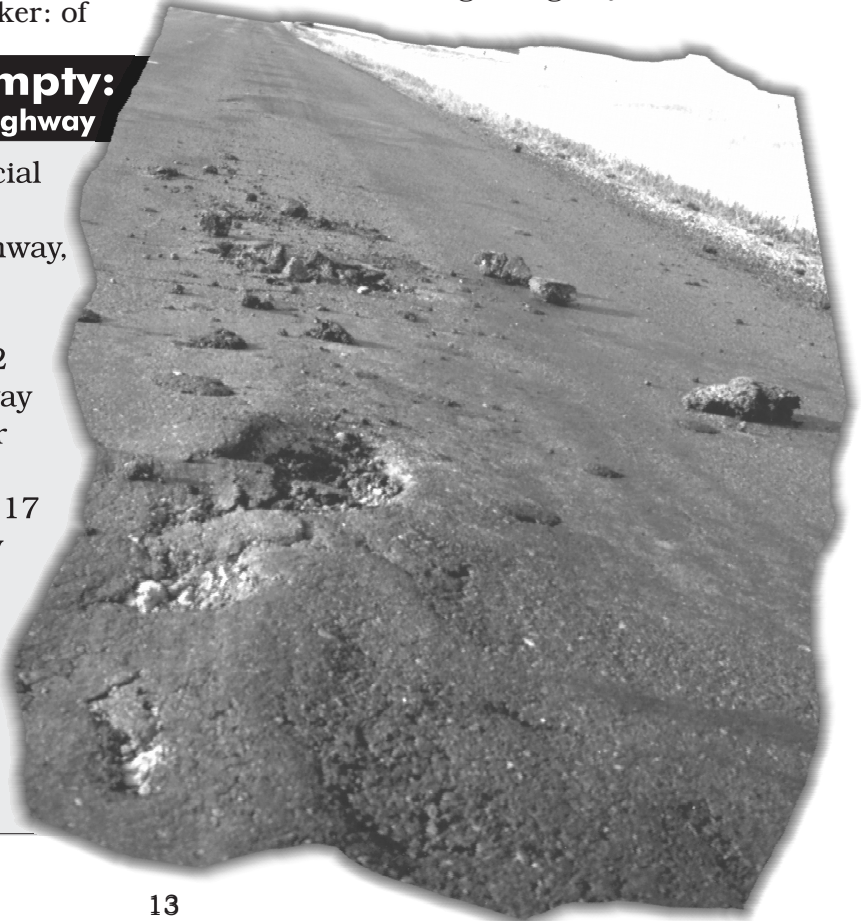
Each year the federal government collects \$5 billion in fuel tax dollars, and returns a paltry three per cent to municipalities and provinces for roads. Here's the kicker: of

that three per cent, 99 per cent is spent east of Ontario. The CTF is calling for half of the fuel tax money collected by Ottawa to be returned to motorists in the form of lower fuel taxes and the other half to municipalities for roads — and we've collected thousands of signatures from angry taxpayers supporting this proposal.

Adopting this model would be a taxpayer victory several times over. It would mean property tax relief because municipalities would not have to spend what they currently do on roads. It would provide comfort to taxpayers in knowing that the taxes they pay are actually going to the roads they drive on, and not thrown into the federal government's gun registry, latest cor-

Roads Running on Empty: Nominees for Canada's worst highway

- BC – The Sea to Sky, Provincial Highway Number 99
- Alberta – Trans Canada Highway, Federal Highway Number 1
- Sask – Provincial Highway numbers 31, 51, 385 and 42
- Manitoba – Provincial Highway Number 8, provincial winner
- Ontario – Ottawa to Kenora, Provincial Highway Number 17
- Quebec – Provincial Highway Number 198
- New Brunswick – Provincial Highway Number 108
- Nova Scotia – Provincial Highway Number 7
- NWT – Territory Highway Number 3

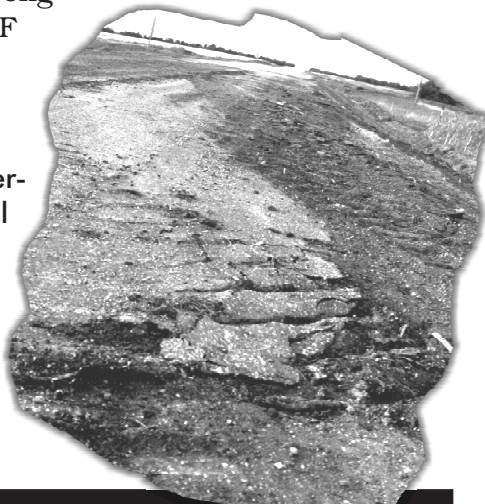


HIGHWAY FROM HELL...

porate welfare program or Adrienne Clarkson's next world tour.

We may finally be getting their attention. Prime Minister-in-waiting Paul Martin has indicated his willingness to explore a "new deal" for cities and has hinted that fuel tax sharing may be part of the deal. Federal Director Walter Robinson had a one-on-one meeting with Paul Martin earlier this year at a Federation of Canadian Municipalities Conference in Winnipeg. At that meeting, Mr. Martin indicated a strong interest in the CTF proposal. ■

“Prime Minister-in-waiting Paul Martin has indicated his willingness to explore a ‘new deal’ for cities...”



CTF's Municipal Roadway Trust - Dollars for Roads:

Potential revenues available to selected cities for road construction under the CTF's proposal

- Victoria \$16 million
- Vancouver \$118 million
- Edmonton \$68 million
- Calgary \$78 million
- Regina \$12 million
- Winnipeg \$40 million
- Toronto \$335 million
- Ottawa- \$68 million
- Montréal \$191 million
- Halifax \$19 million
- And \$1,200 million more

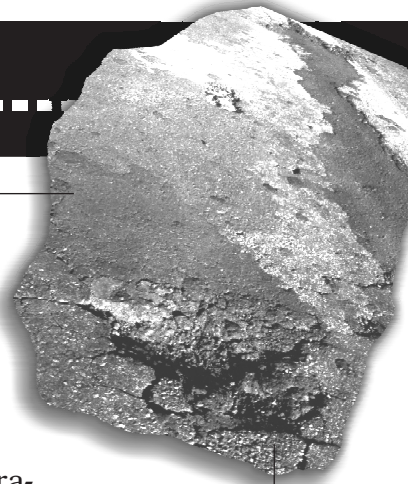
We're gaining momentum

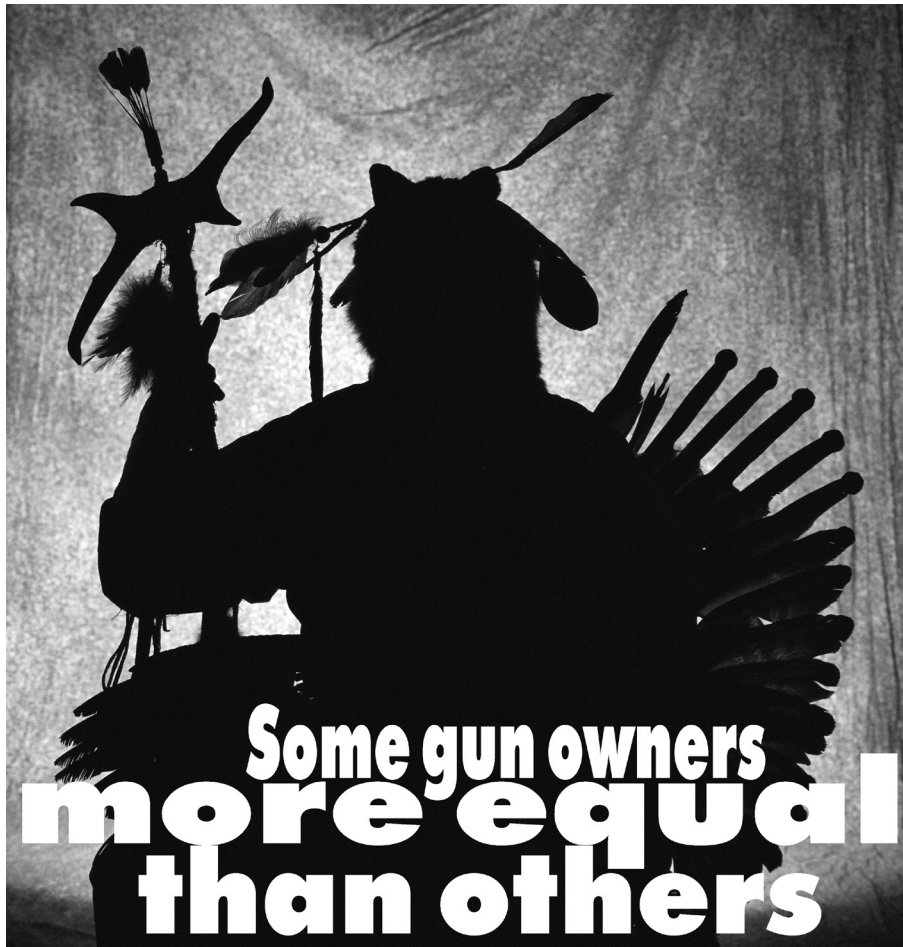
Paul Martin at the Federation of Canadian Municipalities in Winnipeg last May said:

“If access to a portion of the gas tax ends up being the preferred mechanism of municipal leaders, the federal government will be at the table with the provinces offering to vacate gas tax room These are the kinds of new ideas that we must explore seriously in order to work alongside provinces to create a new fiscal partnership with cities.”

The Fifth Annual Gas Tax Honesty Campaign continues. Right now we're continuing to collect signatures on our petition. We've already dumped 50,000 signatures on Paul Martin's desk and have another 20,000 ready to go. Our goal is to top 100,000 signatures. This would be the second largest petition ever gathered by your CTF. To sign, please go to our website: www.taxpayer.com.

Let's keep the momentum going. If you haven't signed the petition, make sure you do. Tell your friends, neighbours, municipal councillors, MLAs and MPs that the CTF has a workable solution to Canada's infrastructure problem. Let's make it happen.





by Tanis Fiss

It makes sense that if one group of people in society is exempt from a Criminal Code law, all citizens should be exempt. Unfortunately, that's not the case in Canada. Earlier this year, Nunavut Judge Robert Kilpatrick granted a temporary injunction that exempts the Inuit from the federal firearms registry. Now other Aboriginal groups opposed to the registry have filed lawsuits to seek their own immunity.

Two years ago, the Nunavut Tunngavik Inc.. (NTI), which is the territory's land claims or-

ganization, filed a lawsuit against the federal government's firearms registry. The NTI maintain the 1993 Nunavut land claims agreement states the Inuit do not have to pay to exercise their traditional right to hunt, trap and fish on their land. Therefore, the Inuit are exempt from the firearms registry because there are costs associated with licensing a firearm.

It is true that under the Nunavut land claims agreement the government of Canada cannot impose any licence or fees on the Inuit. That should not mean, however, the Inuit are exempt from the entire firearms registry, merely the licence fees. But it begs the larger question: why should the Inuit be exempt from

licence fees all other Canadians must pay?

While waiting for the lawsuit to go to trial, the NTI received an injunction to temporarily exempt the Inuit from the firearms registry. To explain his decision, Judge Kilpatrick said

requiring Inuit to register their guns could interfere with their traditional way of life.

How can the use of firearms be described as a "traditional" way of life for Native Canadians? Firearms were not used by Native Canadians prior to European contact. Native Canadians used other methods to hunt, trap and fish – many of which are still in use today. However, this point

“Judge Kilpatrick said requiring Inuit to register their guns could interfere with their traditional way of life. How can the use of firearms be described as a “traditional” way of life for Native Canadians? Firearms were not used by Native Canadians prior to European contact.”

hasn't dissuaded other Native organizations from using the same argument.

The Federation of Saskatchewan Indian Nations (FSIN) filed a lawsuit against the federal government. Their suit claims the firearms law violates treaties because it requires treaty Indians to obtain a licence, registration certificate and authorization from the Crown before they can legally exercise their treaty right to pursue traditional means of subsistence.

If the FSIN lawsuit is successful, their win will pave the way for all Native Canadians to be exempt from the firearms registry.

Similar to the Inuit case, the FSIN sought an injunction. Fortunately, the federal court dismissed the FSIN's application.

Parliament passed the firearms law in 1995, which requires every gun owner to



by Tanis Fiss
Centre for Aboriginal
Policy Change
Director

have a licence and register every firearm they own. But with the potential outcome of these cases the law may soon imply, every gun owner doesn't mean EVERY gun owner.

Section 15 of the *Charter of Rights and Freedoms* mandates equality for all Canadians. Consequently, the Criminal Code must apply to all citizens equally. In other words, if Native Canadians receive an exemption from the firearms registry, all Canadians should be exempt. ■

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Did You know?

- Of 17,000 natives living in 12 Indian communities in northern Manitoba only 847 have applied for a firearms licence.
- Aboriginals are 3% of Canada's population but comprised 25% of all persons accused of committing homicide in 2001. The Aboriginal rate of involvement in homicide is seven-times higher than the national average.
- In 2001, as a treaty obligation, Indian Affairs distributed more than 4,000 rounds of rifle and shotgun ammunition to four Indian reserves in northern BC and Alberta. Furthermore, the members of the Indian bands do not require licences otherwise needed to obtain ammunition or firearms in Canada.



Blackout 2003: Who's to blame

Government Privatization

The August 14th blackout that plunged most of Ontario and eight northeastern states into darkness has resurrected the electricity debate in legislatures and newspaper editorial pages across the continent. As with the collapse of Enron, the California debacle, and earlier challenges in the Alberta market, the finger pointing is better than a mime show as politicians clamour to blame each other, the failure of market forces and hey why not, the proximity of Mars — the closest it has been in 60,000 years — to earth.

Such simplistic blame scenarios may make for good soundbites, but do nothing to further public policy debate or ensure that the lights don't go off again. So let's start with what we know and then work up to the broader policy issues.

Power surges and "trips" (small blackouts or power blips) were common along the northeastern US/Ontario power grid — the network of pylons, transmission towers, transformers and power lines that deliver electricity from generation sources



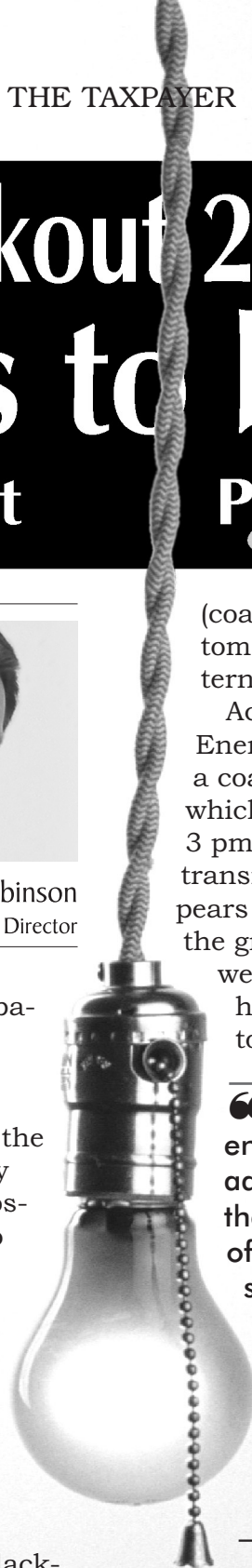
by Walter Robinson
Federal Director

(coal, nuclear, water, etc.) to local customers — that fateful late-summer afternoon in August.

According to *Associated Press*, First-Energy Corp. had challenges with a coal fired plant in Eastlake, Ohio, which tripped out around 2 pm. From 3 pm to 4:06 pm, at least three of its transmission lines tripped out. It appears that other power companies along the grid in Ontario and eight U.S. states were not forewarned: A breakdown in human communication as opposed to technical failure.

“Ironically enough, in Canada and the US, the only portion of the electricity system that has not been freed from state control is the transmission grid ... As a result, the grid — in some cases — consists of 70-year old infrastructure which was built for a lifespan of 20 to 30 years.”

As a result, the grid became unstable and hopscotch outages occurred in the space of 10 seconds around 4:10 pm, plunging 50 million people into darkness. By 4:25 pm, 21 nuclear reactors and over 100 generating plants were down. The grid didn't really fail, it actually succeeded by



shutting itself off (aka: tripping out) to prevent serious equipment failure and/or major fires and catastrophic loss of life. If it didn't, many of us might still be in the dark.

By the Thursday evening of the blackout, big government commentators south of the 49th parallel were blaming private companies and in a bizarre twist, President George W. Bush. Not to be outdone, Ontario NDP leader Howard Hampton was blaming former Premier Ernie Eves and his "ideologically driven faith in the private sector."

Ironically enough, in Canada and the United States, the only portion of the electricity system that has not been freed from state control (by deregulation or privatization) is the transmission grid whereas generation (the back end) and distribution (the consumer component) have been restructured and subjected to competitive forces. As a result, the grid – in some cases – consists of 70-year old infrastructure which was built for a lifespan of 20 to 30 years.

In the post-blackout debate, many experts have talked about the "natural monopoly" inherent in electricity transmission. They contend that since electricity is not storable and it costs money to transport over long distances, 20th century technology dictated that one network (hence a monopoly) of transmission towers and wires, regulated by the state was the best vehicle to ensure a stable supply of power.

“As an aside, one of the most modern

grids in the world exists in the U.K., where, not coincidentally, the private sector has made real investments and power is more stable, reliable and, oh yes, cheaper.”

Given the lack of investment in transmission infrastructure and governments' collective inability to free the "grid" to experience the benefit of market forces, in one sense, Blackout 2003 was inevitable. So the choices ahead of us are relatively straightforward: reduce our demand for power so as not to "tax" the grid; un-hook from the grid, upgrade the grid transmission network, and/or find alternate sources of new power generation that are decoupled from or minimally reliant on the grid.

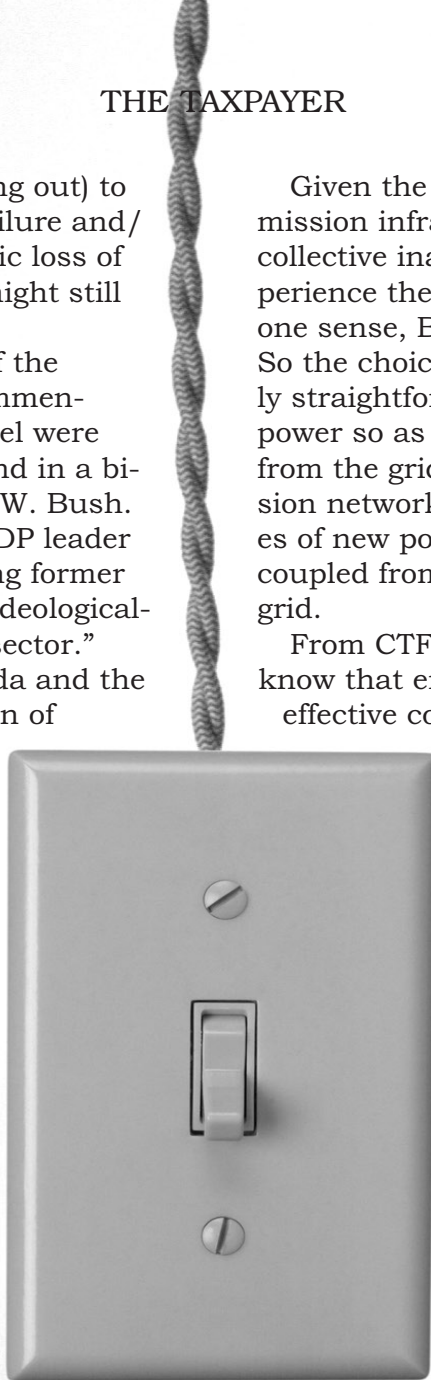
From CTF work on the Kyoto file, we know that energy demand is stable and effective conservation campaigns with

strong public buy-in will not substantively reduce our energy consumption. As for un-hooking from the grid, this is a longer term utopia for some (home generators, fuel cell batteries in the back yard, etc.) but impractical for most residential and industrial consumers in the near to medium-term.

The answer to avoiding future blackouts — on the scale of August 2003 — lies in a combination of upgrading the transmission network and distributing generation closer to points of consumption. As an aside, one of the most modern grids in the world exists in the U.K., where, not coincidentally, the private sector has made real investments and power is

more stable, reliable and, oh yes, cheaper.

Which brings us to the need for greater decentralization along the grid, i.e.: more generation sources and transmission conduits. In the words of the U.S. National Research Council, we must develop "an intelligent, adaptive power grid." This is



the engineering consequence of Blackout 2003.

With new technologies and lower setup costs, new providers may be willing to set up parallel transmission lines along the “grid.” However, the wide scale extent of this option is limited by understandable local community opposition to hydro pylons and overhead wires running through people’s backyards. So distributed generation technologies such as gas turbines, direct current sources and fuel cells are increasingly touted as alternatives to the grid, or at worst, redundancies to be immediately deployed in the event of a blackout.

Returning to the Ontario experience for a moment, Ernie Eves does shoulder some blame for his disastrous decision to do a drastic 180-degree turn on hydro transmission grid privati-

zation and then to cap retail rates at 4.3 cents per kilowatt hour

last year (the Liberals and NDP would have done the same). Variable rate billing – paying more for power at peak periods of usage – is a much more effective tool and the quickest way to ensure that a “market signal” spurs consumer conservation.

In more general terms, as long as consumers (and taxpayers) reward politicians who are more interested in short term popularity (price freezes, lack of investment) as opposed to those who speak the truth (higher prices in the near term and more long-term competition in generation and transmission) about electricity restructuring, brownouts and blackouts will become a fact of life.

The big-money, red-suspend-er types (or power skirts for that matter) on Wall Street and Bay Street will continue to eschew long-term investments in an environment where governments change the rules of the game according to the latest polls. And it is these same politicians who do not have the fortitude to make lasting investments of tax dollars in real infrastructure or services; just look at our roads, water systems, hydro grid or military hardware.

Will Blackout 2003 be a wake-up call or just another excuse to once again finger point, spew ideological venom and hit the proverbial snooze button?■



Watchdog Newsletter is a small circulation publication dedicated to watchdogging the federal government. It does so from a populist, 'small c' conservative viewpoint. It focuses on two things. First, it undertakes access-to-information requests, to expose secret discussions inside federal bureaucracy. Second, it asks readers to write federal officials, demanding they correct obnoxious laws or actions.

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POWER at TRIP

Mark Milke

Back in June, there was justifiable outrage over the lavish expense account spending by federal Privacy Commissioner George Radwanski, who made a habit of fine dining in Ottawa at taxpayer's expense. But as immoderate as those wine-and-dine sessions were, Canadians should also be concerned about the activities of another independent officer of Parliament; they pose an actual threat to our liberties whereas at least Radwanski tried to limit government intrusions into our lives.

I am of course referring to Elections Canada that – with our tax dollars – decided to appeal the recent court decision that struck down sections of Ottawa's infamous “gag law” section of the Elections Act. This is an outrageous move that comes in addition to a new law that means political parties will rake in even more cash from taxpayers than ever before under new electoral laws that Jean Pierre Kingsley (the Chief Electoral Officer at Elections Canada) and the Liberal government have championed over the past year.

The Alliance will receive an additional \$17.7 million, the Liberals \$6.5 million, the NDP will suck at the taxpayer trough for \$4 million, and this could only happen in Canada - we will give the separatist Bloc Quebecois a political resurrection by handing

Elections Canada

them another \$10 million. The near-death Tories will receive \$3 million according to the chief electoral officer. Re-

member, this is in addition to the existing flow of taxpayer cash (\$23 million in 2000) to political parties and their candidates and generous tax credits of a percentage unavailable to charities.

All in all, the estimate is that political parties previously derived about 60 percent of their funding from taxpayers. Now taxpayers will finance 89 percent of political parties' activities.

Is there anything wrong with this? Absolutely. This ban would be only slightly less troubling if it were not accompanied by the infamous gag law (portions of which were struck down by two Alberta courts in 2001 and 2002 but now, as I noted above, are under appeal by the federal government to the Supreme Court) and which all but forbids individuals, unions, environmental groups, and every other Canadian, from competing on a level playing field with political parties during elections.

The recent legislation and the gag law both have Kingsley's fingerprints all over them and the federal Liberals have

“Some Canadians seem to think such gagging and taxing of citizens, individually or collectively, is just fine. There is a name for such people: serfs.”

THE TAXPAYER

routinely followed up on many of his recommendations to limit the freedom of Canadians at election time, which makes the comparison between Kingsley and Radwanski so interesting; Radwanski at least aimed to preserve the freedom of Canadians rather than limit it as Kingsley keeps doing.

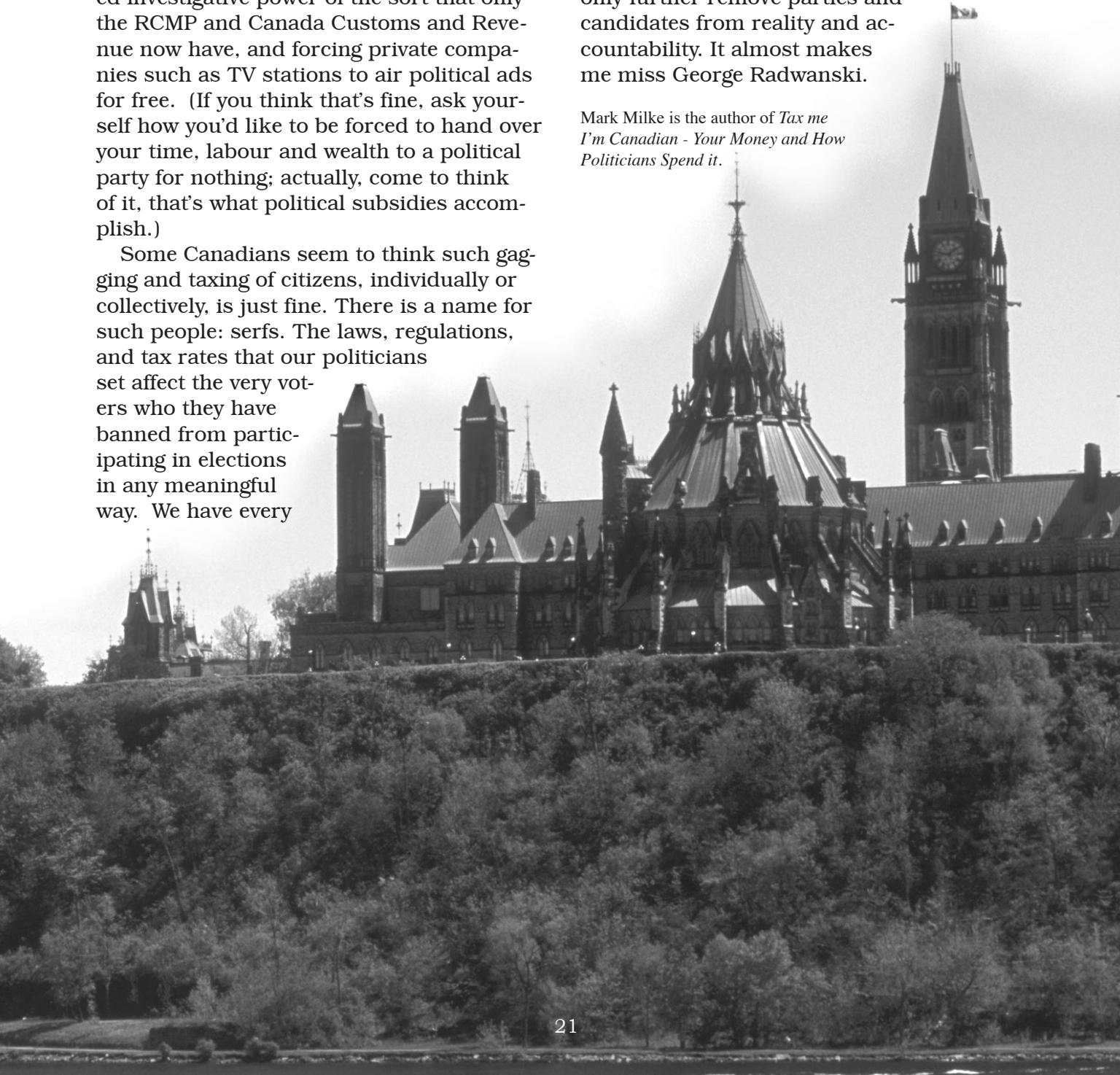
In fact, some of Kingsley's other recommendations for increasing government power include asking that his office be granted investigative power of the sort that only the RCMP and Canada Customs and Revenue now have, and forcing private companies such as TV stations to air political ads for free. (If you think that's fine, ask yourself how you'd like to be forced to hand over your time, labour and wealth to a political party for nothing; actually, come to think of it, that's what political subsidies accomplish.)

Some Canadians seem to think such gagging and taxing of citizens, individually or collectively, is just fine. There is a name for such people: serfs. The laws, regulations, and tax rates that our politicians set affect the very voters who they have banned from participating in elections in any meaningful way. We have every

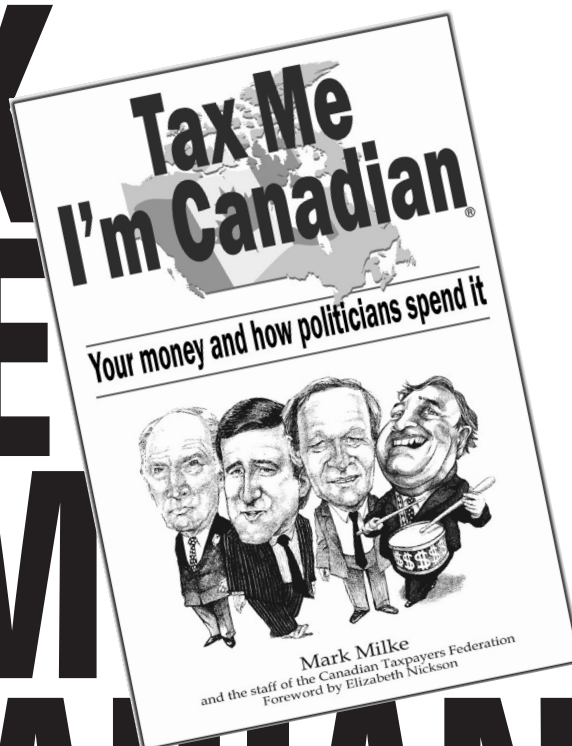
right to inject ourselves into campaigns rather than be prosecuted after an election for so doing and then handed a bill for advertising expenses incurred by the political class. (To their credit, the Alliance has opposed both the gag law and the new subsidize-your-least-favorite-politician-bill.)

Jean-Pierre Kingsley has constantly pushed for harsher gag laws and more taxpayer funding for political parties that will only further remove parties and candidates from reality and accountability. It almost makes me miss George Radwanski.

Mark Milke is the author of *Tax me I'm Canadian - Your Money and How Politicians Spend it*.



TAX ME I'M CANADIAN



Your money and how politicians spend it...

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- Don Cayo, editorial page editor, *Vancouver Sun*

THE TAXPAYER

an Albertan with a \$30,000 income will, through their taxes, subsidize a richer New-foundlander due to the now Byzantine system of federal transfers and EI payments?

How much did some of the countries' top corporations receive in corporate welfare over the past decade? Or NHL hockey teams? Or special interest groups? You'll find out in *Tax Me I'm Canadian*. Buy it for yourself, or for Christmas for someone else. It'll be your handy little reference guide when tax-and-spend politicians

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Linda Leatherdale, Money Editor, *Toronto Sun*

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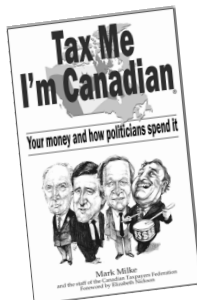
Written by Mark Milke, a former Federation direc-

tor first in Alberta and then in British Columbia, *Tax Me I'm Canadian* lays out the facts about taxes and spending in Canada (including payroll taxes) in an easy-to-read, easy-to-understand style. Illustrated with charts and cartoons from *Victoria Times Colonist* cartoonist Adrian Raeside, *Tax Me I'm Canadian* is already a national bestseller. ■

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Double → the trouble

by Mark Milke

Every so often people write and wonder about the possibility of provinces collecting their own provincial income tax. Recently, former Ontario premier Ernie Eves and Alberta premier Ralph Klein floated the idea, but pigs will tap-dance on Broadway before it's cheaper for taxpayers to have the provinces set up their own tax collection systems.

Two tax bureaucracies are not simpler and cheaper than one. Think your taxes are complicated now? Imagine the fun you would have in April if the provinces also collected provincial personal income tax. That would mirror the problems now faced by business, who (in many provinces except Alberta and a few in Atlantic Canada that harmonized their sales tax with Ottawa) must file two separate sales tax forms. They must also figure out which items are provincially taxable and which ones are federally taxable, given that neither level treats all goods and services the same. Much as businesses hate the GST, they would prefer one set of forms and one bureaucracy to deal with on the sales tax.

Some have argued that in the case of Alberta, given that it has a single tax, wouldn't a provincial tax collection system be better, i.e., that Albertans could well do without the

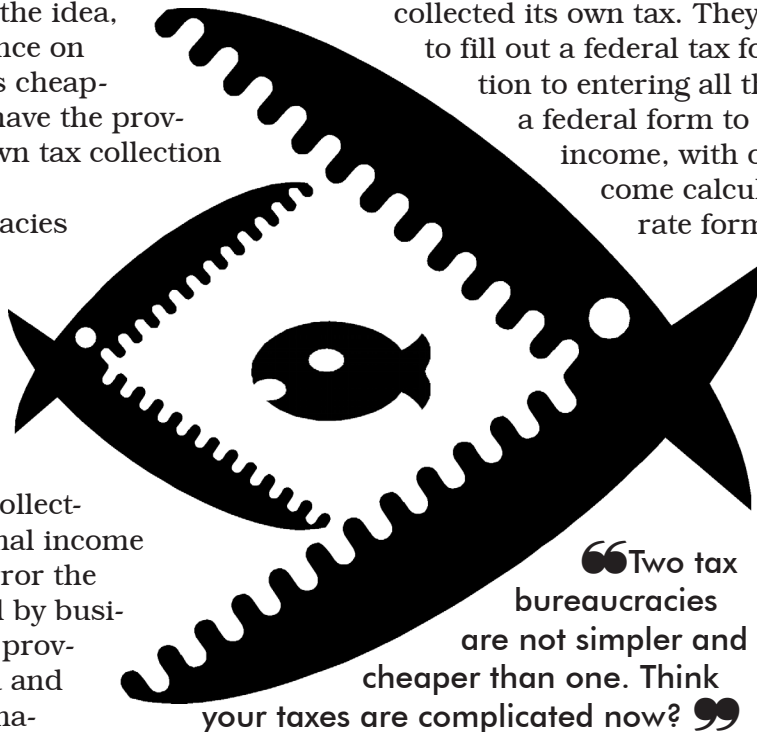
federal tax complexities if they filed and collected their own personal taxes with their provincial government?

But Alberta's single tax — divinely inspired as it is — doesn't mean they could skip the federal tax complexities if Alberta collected its own tax. They would still have to fill out a federal tax form. But in addition to entering all the information on a federal form to figure out taxable income, with only minor post-income calculations on a separate form for the province,

such residents would have to enter all the information twice and calculate every single deduction and credit twice. The beauty of the current system, though it is by no means uncomplicated, is that the same defini-

tion of income is arrived at by the feds and provinces for tax purposes.

If the goal is simplicity, the system will not be simpler if each province comes up with a different definition of income and then collects its own taxes. Look at all the forms now produced by Ottawa that deal with every conceivable form of income, credit and deduction. Last time I checked, there are hundreds of add-on forms to reflect all the different ways of making money and all the various tax rates that apply to each. One



“Two tax bureaucracies are not simpler and cheaper than one. Think your taxes are complicated now?”

THE TAXPAYER

form for employment income, another for capital gains, another for tuition credits for your kids, another for your charitable contributions. Now imagine if each province and territory duplicated all those forms and you duplicated the calculations -- but with different rates and exemptions.

Some argue that it would be cheaper to have the money pass through fewer hands so provincial tax collection seems like a good idea.

Sorry, but such intuition is wrong. The money wouldn't pass through fewer hands; it would pass through more. See my above argument. Even if what is meant by that is that provincial taxes would go straight to provincial capitals and the federal taxes to Ottawa, big deal. It doesn't cost nearly as much for one government to do all the calculations for all jurisdictions and then cut a cheque to the provincial capitals, as it would if Canadians duplicated the Canadian Customs and Revenue Agency in every provincial and territorial capital.

Some have asked me that given I haven't seen any published reports that detail how much it would cost each province to collect its own income tax versus the current arrangement, how then can I be so convinced that it is cheaper to have Ottawa collect taxes for the provinces.

Easy. One doesn't need to do a detailed assessment of what another nine provincial and three territorial tax bureaucracies would cost. It's fairly obvious that more paperwork, more compliance, more auditing, more calculations, more infrastructure, and more expense accounts for more tax auditors for another 12 sub-

national tax bureaucracies would be vastly more expensive than the existing system. Taxpayers in the have provinces of Alberta and Ontario already fund two existing tax bureaucracies, one in Ottawa and another one in Quebec City because Quebec already col-

lects its own personal income tax. Taxpayers there of course pay for Quebec's bureaucracy because 'have' provinces

are net contributors to federal transfer payments. So for those who like the idea of provincial tax collection, I ask: How many more bureaucrats do you want and how much more tax would you like to pay?

The provinces and the federal government should attempt to end duplication, not do more of it which is what this silly idea from Klein and Eves would do. In short, their idea would create another 12 versions of a federal tax Leviathan. Canadians don't need more tax bureaucracies.■

“So for those who like the idea of provincial tax collection, I ask: How many more bureaucrats do you want and how much more tax would you like to pay?”

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How many government employees do we have?

Over dinner at my parent's house recently, my mother asked if I knew how many people worked for government. Uncharacteristically at a loss for words, I shrugged my shoulders and changed the subject. Needless to say, she is not the first to ask. So here it is mom. You asked for it: How many people work for government and what does it cost us? And oh, thanks for a great dinner!

Getting a handle on the number of people employed by all three levels of government is the job of Statistics Canada. Every three months they release a count of all government employees listed by level of government, and a new one for this year was just released.

Federal Government Employment

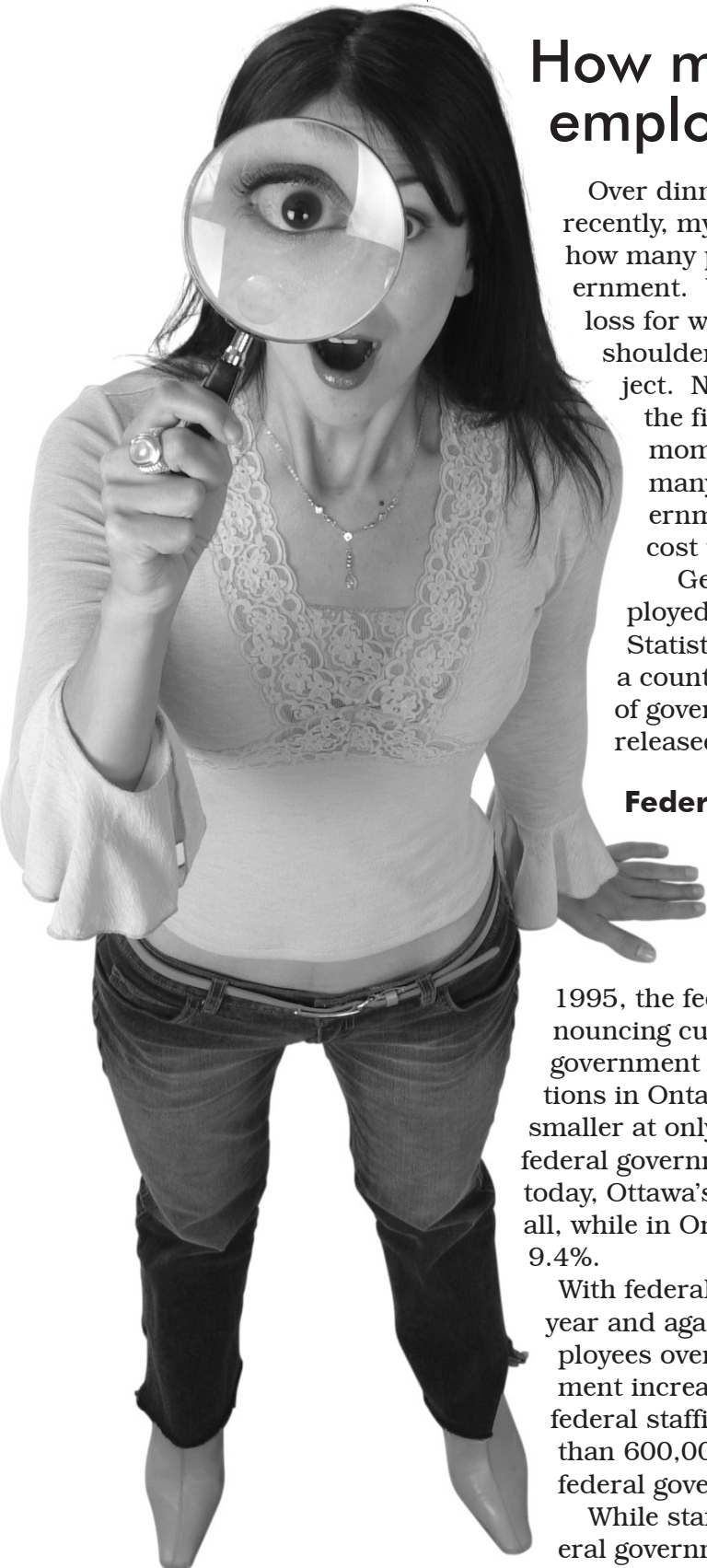
The feds are Canada's single largest government employer. Chart 1, shows the number of federal government employees in each province and, not surprisingly, most work in provinces east of Manitoba. In 1995, the federal government began a program review announcing cuts in staffing levels. Over four years, federal government staff was trimmed by 9.8%, although reductions in Ontario – where head offices are located – were smaller at only 3.4%. Since then, an alarming increase in federal government staffing has begun. Between 2000 and today, Ottawa's staffing levels have increased by 6.5% overall, while in Ontario, it has increased by an astounding 9.4%.

With federal spending projected to increase by 16% this year and again next, there will be even more federal employees over the next couple of years. If federal employment increases at the same rate over the next two years, federal staffing levels could reach an all time high of more than 600,000 by 2005, and let's not forget this is just the federal government.

While staff levels declined over four years, average federal government salaries have done nothing but increase.



by Bruce Winchester
National Research Director



You asked for it...

It seems government cuts were lucrative for those who stayed. At an average salary of almost \$52,000, federal bureaucrats find themselves in the top 17% of all income earners. In addition to high wages, federal employees are also given generous benefits, including a pension – one that must be paid by taxpayers when these employees retire.

Your CTF has called for the elimination of wasteful departments such as Industry Canada, and regional development agencies like ACOA to name a few. Ottawa should also do another large scale review of programs to decide which ones should be wound-up or slated for privatization or alternative service delivery. Similarly, adopting new technolo-

“Between 2000 and today, Ottawa’s staffing levels have increased by 6.5% overall, while in Ontario, it has increased by an astounding 9.4%.”

gies, such as e-government, would also help to bring down the size and cost of the federal payroll.

Provincial and local government employment

Although Ottawa is the single largest government employer, provincial and municipal governments have more than five times as many people on their payrolls. Unlike federal bureaucrats, taxpayers might be able to name some categories of jobs provided for by their provincial and local government: healthcare workers, college and university instructors, and teachers to name just three. Chart 3, shows the breakdown of provincial government employment in each province

Chart #1: Federal Government Employment by Province

Year	NL	PEI	NS	NB	PQ	ON	MB	SK	AB	BC	YK	NWT	NT	Out	Total
1995	11,118	3,922	33,397	18,873	103,636	197,470	26,601	14,048	38,027	50,869	1,146	1,629	n/a	6,080	506,816
1997	9,094	4,034	30,864	14,682	87,947	170,893	19,807	12,082	32,237	43,056	913	1,210	n/a	3,032	429,850
1999	8,206	3,413	27,975	15,284	86,182	169,892	19,844	11,707	32,077	41,840	856	1,090	155	2,998	421,519
2001	8,232	3,830	26,530	15,446	90,145	178,195	20,871	12,175	33,287	43,901	827	1,075	279	3,031	437,822
2002 ^P	8,260	3,832	26,955	15,712	93,503	183,100	20,738	12,133	33,780	44,415	853	1,101	308	3,053	447,743
2003 ^Q	8,414	3,800	27,523	15,665	93,019	190,745	21,739	12,114	33,865	44,921	670	1,158	291	3,116	457,040

Source: Statistics Canada, Government Employment and Quarterly Government Employment 2003.
P denotes a projection, Q denotes a total as of the most recent Quarter (June 2003)

Chart #2: Average Federal Government Wages by Province -- in dollars

Year	NL	PEI	NS	NB	PQ	ON	MB	SK	AB	BC	YK	NWT	NT	Out*	Total
1995	38,339	38,193	38,941	38,742	40,773	41,593	40,047	41,427	40,937	40,495	49,805	63,823	n/a	54,978	41,052
1997	38,443	37,370	40,517	37,346	40,251	42,750	41,314	40,588	39,662	42,579	46,223	71,365	n/a	64,566	41,618
1999	43,823	43,837	47,531	41,228	44,089	47,994	43,062	39,233	43,744	47,194	57,611	67,254	67,713	74,935	46,195
2001	48,032	46,359	54,139	45,956	48,086	52,984	44,550	42,428	47,210	51,550	63,884	74,333	90,729	88,129	50,708
2002 ^P	50,451	49,095	55,931	47,537	48,577	53,916	46,341	44,852	48,760	53,766	65,783	77,024	87,307	92,920	51,961

Source: Statistics Canada, Government Employment 2003. - P denotes a projection

You asked for it...

Overall, provincial and local government employment has increased by a modest 1% since 1995. But while

some provinces shed government jobs, four of them have 10 percent or more staff now compared to 1995. Despite the rhetoric of some, the size of provincial government has not declined. As for salaries, Chart 4 shows that provincial and local bureaucrats do not fare as well as their federal counterparts.

Nevertheless, growing costs in Canada's healthcare system, dominantly delivered at the provincial level, will continue to increase the provincial government wage bill. As with the federal government your CTF has called for robust program reviews, privatization and alternative service delivery which would all contribute to lower government

“Your CTF has called for the elimination of wasteful departments such as Industry Canada, and regional development agencies like ACOA to name a few.”

costs at the provincial and local level. In addition, changes to municipal acts in each province might also give local gov-

ernments and school boards more leeway in cutting costs and in controlling property tax hikes.

Almost three million government employees

Taxpayers are forced to foot the bill – some \$121 billion annually – for a ballooning government sector. Government employees account for 26% of all government spending, and have salaries and benefits that are more generous than those paid to the rest of us. Think about it this way: each day taxpayers shell out \$331 million to employ three million people.■

Chart #3: Provincial and Local Government Employment by Province

Year	NL	PEI	NS	NB	PQ	ON	MB	SK	AB	BC	YK	NWT	NT	Total
1995	46,816	11,600	77,350	62,846	667,483	833,797	113,246	98,835	229,955	295,606	3,203	9,761	n/a	2,450,499
1997	46,282	12,234	75,599	63,160	634,952	784,419	108,599	99,106	215,969	305,022	3,847	9,628	n/a	2,358,818
1999	44,266	11,849	76,912	63,383	614,274	778,403	114,596	103,459	221,976	308,898	3,902	6,883	3,825	2,352,626
2001	44,922	12,045	76,338	63,187	602,737	796,206	118,303	104,150	221,741	316,357	3,930	6,138	4,510	2,370,563
2002 ^P	46,589	12,071	76,815	63,393	607,451	803,151	121,515	105,698	223,467	317,660	3,788	6,148	4,857	2,392,603
2003 ^Q	48,199	12,762	80,573	64,249	622,014	831,182	124,884	114,781	231,897	328,759	4,364	6,149	5,153	2,474,966

P denotes a projection, Q denotes a total as of the most recent Quarter (June 2003) Source: Statistics Canada, Government Employment and Quarterly Government Employment 2003.

Chart #4: Provincial and Local Government Wages by Province -- (In dollars)

Year	NL	PEI	NS	NB	PQ	ON	MB	SK	AB	BC	YK	NWT	NT	Total
1995	\$33,762	\$28,510	\$28,539	\$32,787	\$33,323	\$38,340	\$31,030	\$29,924	\$30,781	\$37,187	\$56,651	\$51,079	n/a	\$34,937
1997	\$32,955	\$29,029	\$29,462	\$32,665	\$33,413	\$38,998	\$30,258	\$30,915	\$33,034	\$37,077	\$50,283	\$48,417	n/a	\$35,370
1999	\$35,829	\$33,001	\$32,571	\$34,752	\$36,032	\$41,337	\$31,206	\$31,808	\$36,002	\$37,589	\$53,556	\$51,965	\$52,790	\$37,504
2001	\$39,502	\$34,911	\$34,624	\$36,115	\$38,755	\$42,938	\$33,480	\$35,405	\$40,703	\$39,838	\$57,107	\$61,484	\$62,488	\$40,002
2002 ^P	\$39,846	\$35,089	\$35,799	\$37,449	\$40,052	\$43,767	\$34,009	\$35,616	\$41,858	\$40,020	\$61,759	\$64,736	\$61,246	\$40,867

P denotes a projection Source: Statistics Canada, Government Employment 2003.

Fixing Canadian Democracy

In November 2001 the Fraser Institute assembled a group of experts in the field of democratic reform to lay out an agenda for BC and the rest of Canada. *Fixing Canadian Democracy* is the result of that gathering. Edited by Gordon Gibson, the book tackles a diverse range of topics from parliamentary reform to voting change.

BC is leading the country in reshaping its democracy. Fixed election dates have been implemented and a Citizens' Assembly to propose changes to the voting system is underway. Governments in Quebec and Prince Edward Island are now looking at changes. The Liberals in Ontario have made commitments, as have opposition parties in the House of Commons.

What follows is an excerpt from Gordon Gibson's book which originally appeared in the *National Post* on June 20th.



Parliamentary Reform Begins with Parliament

by Gordon Gibson

In a complex modern society where big government significantly affects the lives of ordinary citizens, [parliament and legislatures] matter. And, naturally, the bigger the government, the more it matters.

Surveys in 2002 showed very clearly that most (70%) think there is corruption in federal and provincial governments. Regional alienation is endemic at the federal level. Waste and inefficiency are widely assumed as the natural order of things governmental. There is a lack of trust and so little apparent representativeness to the system that most citizens assume there is little they can do about any given issue. Consequently, they opt out. Thus, we see a decline in voting participation (now below 60% at the federal level, and falling).

So, the system does not work well. Our society is in tolerable shape in spite of our legislatures, rather than because of them. Thus, the constant call for parliamentary reform.

The direction for useful par-

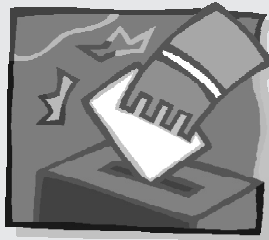
liamentary reform can be gleaned from a consideration of three of the following words: "representative," "oversight," and "adversarial."

Representative

A main reason why Parliament is not "representative" today is because our MP or MLA, the only person we can directly influence, normally has virtually no power.

Government members may be afforded influence over marginalia; opposition members may wield some influence through the power to embarrass, but their combined effects are trivial. Count the column inches devoted to the policy views of backbencher Member X. The answer is almost always "zero." Must it be so? Count the column inches devoted to the views of Congressman X in the United States. The answer is "many." The press has it right. The answer to the problem of "representativeness" is simple: It is the empowerment of the ordinary member.

The technical means of achiev-



“There is a lack of trust and so little apparent representativeness to the system that most citizens assume there is little they can do about any given issue.

Consequently, they opt out.”

ing this empowerment include, above all, a reduction in the disciplinary carrots and sticks available to the first minister, which range from appointments (to Cabinet and elsewhere, such as committee assignments) to such minor but personally important things as foreign travel or desirable office space.

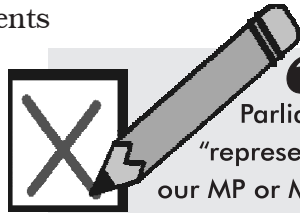
Finding the best balance is a matter for much thought. For example, in some countries the government caucus chooses the Cabinet, leaving the first minister only the assignment of tasks.

A severe narrowing of the doctrine of "confidence" so that members are genuinely free to vote as they wish on many more measures than they now can [is also important].

Oversight

"Oversight" is the monitoring function of elected representatives vis-à-vis the work of

government. Tax monies are to be voted for such and such. What exactly is the plan? How will results be measured? Who is responsible? And, after the fact, did it work as planned?



“A main reason why Parliament is not “representative” today is because our MP or MLA, the only person we can directly influence, normally has virtually no power.”

Most citizens believe that between Parliament and the Auditor General such oversight is routine and effective. It is not. Committees lack staff resources, continuity of membership, and exper-

tise to do their jobs at the political level. Even when they try to do their jobs, the reports of the Auditor General are embarrassing, nothing more. No one is fired, basic policies are seldom changed, no consequences need flow.

Committees do not cut the budgets of under-performing departments or programs and, in the intensely partisan atmosphere of the legislature, the main object of a committee's majority is to protect the government, not the public. It is as simple as that, and that is what needs to be changed. Permanent and wide mandates for committees, expert re-

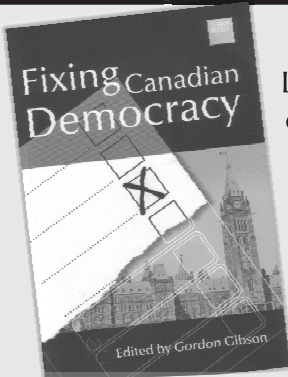
search staff, control by the committee of work plans and choice of chair, and the development of an actual practice of amending legislation and cutting budgets would make an enormous change in the culture of government, much for the better.

And, of course, fundamental to oversight is access to information. The pervasive practice of secrecy by the Canadian government is its best weapon in the control of debate.

Adversarial ...

Finally, there is the word "adversarial." Outside of politics and the courtroom — two famously unproductive venues — our whole society is built on the co-operation of volun-

Fixing Canadian Democracy



Canada desperately needs to kill the political Leviathan that is strangling democracy in this country. At no time in our history have Canadians felt so disenfranchised with their political institutions as highlighted by the record low turnouts in federal and provincial elections.

Though the federal government has resisted all efforts to reform the system, other forces — all parties in Quebec, the new Ontario government, the PEI legislature and opposition parties in Ottawa — are making meaningful commitments to reform. In BC, the government passed legislation providing for fixed-term elections.

In his book, *Fixing Canadian Democracy*, Gordon Gibson examines significant ways the political process can be reformed.

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tary transactions. This co-operative mode includes the idea of competition, but we try to set the rules so that the competition benefits markets rather than rigging them.

In Canadian legislatures, the opposite applies. Governments, of course, are based on coercion rather than voluntary transactions. To be able to achieve anything, one must be in government and preserve that position at all costs. In a vicious cycle, this forces our representatives constantly to choose sides, to contest rather than co-operate, and to distort and misrepresent issues to the public in the pursuit of advantage.

The main driver of the adversarial system is the rule of "winner takes all." Where there is no second prize, the competition is single-minded and ugly, and the public is forgotten.

The official opposition party normally has received the support of at least one-third of Canadians, and together, the opposition parties generally have over half of the vote. Why should not the leader of the opposition [for example] have the right of appointment of some small fraction of the members of various boards and commissions, as is the practice for the minority party in the United States?

Conclusion

Clearly, in today's political climate, such things are unthinkable. Given the current

immense concentration of power in the first minister, this will change only as a result of a great leader or, more likely, the gradual reforms insisted upon by empowered ordinary members over time.

In the end, parliamentary reform is the simplest thing in the world. All of the power to achieve it lies within Parliament; it need only decide.

Gordon Gibson, Senior Fellow in Canadian Studies at the Fraser Institute, served as Special Assistant to Prime Minister Pierre Trudeau. He was leader of the BC Liberal Party from 1975-79. Gibson has written extensively on federalism and aboriginal relations.

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Department of Foreign Affairs – Cultural grants

The following is a list of grants dolled out by the Department of Foreign Affairs and International trade, during the 2001-2002 fiscal year. Totalling \$8.3 million, this slush fund pays artists, performers and similar groups from Canada to tour other countries, and does the same for foreigners when they perform here in Canada. Imagine, world peace, one artist at a time. The list below shows just a few of the grants handed out under this program. The list provides the name of the individual or group receiving the money, their province of origin, the purpose of the grant and the amount given.

Performing Arts

4D art Lemieux/Pilon, Quebec - To allow 4D art Lemieux/Pilon to participate in ISPA - New York 2001 from Dec 16 to 18, 2001.....\$1,000	6 performances in Iceland from May 11 to June 1, 2001\$3,500	Pièces Froides in Cannes, France, from Sept 17 to Dec 21, 2001.....\$20,000
4D art Lemieux/Pilon, Quebec - Allow them to give 6 performances of Orféo in Bergen, Norway & Lisbon, Portugal from May 6 to June 4, 2001\$20,000	Catalyst Theatre, Alberta - Allow them to participate in CINARS Promotional Tour In Australia from Feb 21 to March 2, 2002.....\$2,500	DANDI Productions, Alberta - To allow DANDI Productions to give 5 workshops & 5 performances of Roald Dahi's Little Red Riding Hood in Los Angeles, California, USA from Aug 5 to 11, 2001.....\$1,300
A l'Infini Communications pour groupe BLOU, Quebec - Allow the group to give 3 performances of Rythm'n BLOU in Lille, France, Raamsdonksveer, Netherlands & Brussels, Belgium from May 18 to 28, 2001\$5,000	Centre des auteurs dramatiques, Quebec - Allow CEAD to give 6 workshops & 6 performances in New York, USA from Sept 13 to 17, 2001\$15,000	Darling Music, BC - To allow Ashley Park to give 16 performances during their U.K. tour In England, Scotland & Wales, from mid Feb to mid March, 2002\$10,000
Alexander Tselyakov, Ontario - Allow him to give performances In Turkey, U.S., Germany, U.K. from Nov 20,2001 to May 13, 2002\$9,000	Chester Knight & The Wind, Saskatchewan - To allow Chester Knight & The Wind to participate in Grammy Fest event in Los Angeles on Feb 26, 2002\$5,000	Dawn Whitwell, Ontario - To allow Dawn Whitwell to give 22 performances of Brevity is the Soul of Whitwell in Edinburgh, Scotland, from Aug 5 to 26, 2001\$3,500
April Productions, Ontario - Allow April Productions to give 10 performances at the Belgrade National Theatre in Belgrade & Novi Sad, Yugoslavia, from Nov 6 to 22, 2001.....\$3,600	Cirque Eloize, Quebec - Allow the group give 23 performances in Munich, Germany, Lisbon, Portugal, Irvine & San Diego, California & Italy from June 28 to Aug 13, 2001\$50,000	De-ba-jeh-mu-jig Theatre Group, Ontario - Allow the Group to give a performance at New World Brave Showcase in Philadelphia from Jan 28 to Feb 3, 2002\$5,000
ASZA, BC - Allow ASZA to give 8 workshops & 14 performances In Cape Town, Durban, Johannesburg & Pretoria, South Africa, from Sept 20 to Oct 7, 2001\$5,000	Cirque Eloize, Quebec - To allow Cirque Eloize to give 58 performances of Excentricus in Australia & New Zealand from Feb 4 to May 21, 2001\$100,000	Diane Kadota Arts Management, BC - To allow Dylan Van der Schyff to give 1 workshop & 4 performances In Groningen & Amsterdam, The Netherlands, In Cologne, Germany & In London, England from Aug 29,2001 to Sept 8, 2001\$2,000
Axis Theatre Company, BC - Allow Axis to give 16 performances of The Number 14 in Italy, Finland & Denmark from July 30 to Sept 3, 2001\$25,000	ClanTerra, Alberta - Allow ClanTerra to give 15 performances in Dalavich, Stranraer, Kirkcaldy, Alves, Inverness, Edinburgh, Skye, Achiltibuie, Ullapool & Oban, Scotland from Aug 13 to 30, 2001\$8,000	Directions D'Artistes Fleming / Susie Arioli, Quebec - To allow Susie Arioli Swing Band to give 23 performances in France, England, Belgium & Luxembourg from May 23 to June 23, 2001\$8,000
Axis Theatre Company, BC - Allow the group to give 44 performances of Flying Blind in Sydney, Australia from March 4 to April 20, 2002\$23,000	Coleman & Lemieux, Quebec - To allow Coleman & Lemieux to give 4 workshops & 1 performance of Convoy PQ. 17 in St. Petersburg, Russia from Aug 24 to Sept 2, 2001 \$10,000	Dulcinée Langfelder et Cie, Quebec - To allow Dulcinée Langfelder et Cie to give 10 additional performances of their European tour in Paris, Limoges, Saverne, Auray & Toulon, France, Tarrega, Spain & Woluwe-Saint-Pierre, Belgium from Sept 4 to Oct 20, 2001\$5,000
By Divine Right, Ontario - To allow By Divine Right give 15 performances in Sydney, Newcastle, Coffs Harbour, Byron Bay, Tweed, Lorne, Hobart, Launceston, Adelaide & Melbourne, Australia & Auckland, New Zealand from Dec 16, 2001 to Jan 7, 2002....\$14,000	Compagnie Flak, Quebec - Allow the group to participate in the Commonwealth Games activities from May11 to 19, 2002.....\$5,000	Dulcinée Langfelder et Cie, Quebec - Allow them to give 14 performances in Limoges & Mulhouse, France, Lausanne & Monthey, Switzerland as well as Woluwe-Saint-Pierre & Brussels, Belgium from Sept 19 to Oct 22, 2001\$10,000
Cameltrain Productions, Manitoba - Allow them to give 6 performances in Ile de Re & Capbreton, France, from Aug 18 to 27, 2001.\$2,000	Compagnie Marie Chouinard, Quebec - Allow them to give 22 performances In Portugal, England, France, Hungary, Germany, the Netherlands, Belgium & Slovenia from March 12 to May 9, 2002\$50,000	Dylan Goodhue, Ontario - To allow the NEW to perform at the Edinburgh Fringe Festival & other cities in the United Kingdom from Aug 1 to Sept 10, 2001.....\$5,000
Canadian Guitar Quartet, Quebec - To allow the Canadian Guitar Quartet to give 1 workshop & 13 performances in Santiago, Curico, Tatca, Linares, Concepcion, Temuco, Valdivia, Osorno, Rio Bueno & Antofagasta, Chile from July 26 to Aug 20, 2001.....\$4,000	Compagnie Marie Chouinard, Quebec - Allow them to give 25 performances In Denmark, The Czech Republic, Hungary, Poland, Croatia, The Netherlands, Italy, Austria, England & Israel from May 11 to Aug 3, 2001\$40,000	Dynamo Theatre, Quebec - To allow DynamO Theatre to give 60 performances during their international tour of Lili & Mur-Mur in Japan, Taiwan, Belgium, France & Spain from Nov 1, 2001 to March 27, 2002\$25,000
Carbone 14, Quebec - To allow Carbone 14 to give 18 performances of Visitatio in Mexico, Switzerland, Hungary & Germany from Oct 7 to Dec 2, 2001\$10,000	Da da kamera, Ontario - To allow da da kamera to give 8 workshops & 63 performances of In On It in the Netherlands, Germany, Australia, New-Zealand, Scotland, the Czech Republic, California & New York, USA from June 20, 2001 to June 30, 2002\$47,000	
Carole Davis, BC - To allow Carole Davis to give	Dancemakers, Ontario - To allow Dancemakers to give 2 workshops & 3 performances of	

Department of Foreign Affairs – Cultural grants

Name	location	purpose of funding	\$ amount
Elmer Iseler Singers, Ontario - To allow Elmer Iseler Singers to give performances on tour in US from Jan 12 to Jan 25, 2002.....			\$30,000
Ensemble Resonance, Alberta - Allow Ensemble Resonance to give 18 workshops & 4 performances in Taipei, Taiwan from Aug 15 to 27, 2001			\$9,000
ERGO Projects, Ontario - To allow ERGO Projects to participate in & give 1 performance at 2001 Adevantgarde Festival for Neuer Musik in Munich Germany, from June 14 to 23, 2001			\$5,000
Foot-hills Brass Quintet, Alberta - To allow Foot-hills Brass Quintet to give 21 performances In Wisconsin, Minnesota, Iowa, Nebraska, Colorado, South Dakota & North Dakota, USA from April 10 to May 4, 2002			\$7,500
Foot-hills Brass Quintet, Alberta - To allow Foot-hills Brass Quintet to give 17 performances In Minnesota, Iowa, Illinois, Wisconsin, Missouri, North Dakota, Montana, South Dakota, Kansas & Nebraska, in the USA from Sept 27 to Oct 19, 2001			\$8,000
Ganesh Anandan, Quebec - To allow Ganesh Anandan & Patrick Graham to give 5 performances of Duo GAPA in Japan from April 29 to May 16, 2002			\$5,000
Gloria Saarinen, Ontario - To allow Gloria Saarinen to give 11 workshops & 24 performances In Texas & North Carolina, USA & New-Zealand from Oct 24 to Dec 16, 2001			\$8,000
Green Fools Theatre Society, Alberta - Allow the group to give 61 workshops & 65 performances in Iowa, Nebraska & New York, USA, Wales, England, Norway, the Netherlands, Luxembourg, Italy, Spain & Russia, from May 17 to Sept 8, 2001			\$8,000
Gryphon Trio, Ontario - Allow Gryphon Trio to have 4 meetings & give 10 workshops & 15 performances in Gothenberg, Sweden, Hamburg, Germany, St. Petersburg, Russia & Kuhmo, Finland, from July 6 to 29, 2001			\$8,000
Harbourfront Centre, Ontario - Allow them to give 5 performances of Japan Canada New Creators Series: CJ8 in Tokyo, Kyoto & Nagoya, Japan, from May 15 to June 15, 2001			\$45,000
Harbourfront Centre, Ontario - Give them centre with additional resources to create a record of the Japan Canada New Creators Series: CJ8 from April 1 to June 15, 2002			\$5,000
infini theatre, Quebec - To allow infini theatre to give 6 workshops & 2 performances during the Cairo International Festival for Experimental Theatre & International Collaboration with Zimmertheater Tubingen, Germany in Cairo, Egypt from Sept 1 to 23, 2001			\$5,000
Infrarouge Theatre, Quebec - Allow the theatre to give 30 performances of Jimmy, creature de rêve in Paris, Maubeuge & Douai, France, in Berlin, Germany & Brussels, Belgium from Jan 26 to March 20, 2002			\$20,000
Jazz Services, Quebec - Allow Jazz Services to give 4 workshops & 11 performances of Carl Naud in Paris, Lille, La Rochelle, Brest, Nancy & Arnes, France & Ciney, Anvers & Brussels, Belgium from Oct 1 to 20, 2001			\$6,000
Jest in Time Theatre, Nova Scotia - To allow Jest in Time Theatre to give 4 workshops & 4 performances in Tokyo, Furano & Yakumo, Japan from Oct 25 to Nov 15, 2001			\$18,000
Jeunesses Musicales du Canada, Quebec - Allow the group to send six choir members to participate in the Choeur Mondial's tour to Venezuela & parts of the USA from July 19 to Aug 14, 2001			\$5,000
Joaquin Diaz, Quebec - To allow Joaquin Diaz to give 2 workshops & 2 performances in San Antonio, Texas, USA from Sept 26 to Oct 1, 2001			\$4,000
Joaquin Diaz, Quebec - Allow her to perform at the South BY Southwest Conference in the US from March 13 to 17, 2002			\$3,000
John Lambert & Assoc. Quebec - To allow Ronnie Burkett to give 16 performances of Street of Blood in Stockholm, Sweden, in Brighton & Manchester, England & Glasgow, Scotland, from April 27 to June 9, 2002			\$50,000
John Lambert & Assoc., Quebec - To allow Ronnie Burkett to give 16 performances & 3 workshops of Happy In London, England, from June 15 to July 8, 2001			\$22,000
John Lambert & Assoc., Quebec - To allow John Lambert to go on a Market Development Tour In Europe, the United States & Asia from April 1, 2002 to March 31, 2003			\$5,000
Kat Wahamaa, BC - Allow Kat Wahamaa to give 11 performances in Tokyo, Kumamoto City, Kanoya, Kagoshima City & Kyoto, Japan from Oct 30 to Nov 16, 2001			\$5,000
Kathleen Yearwood, Alberta - To allow Kathleen Yearwood to give 2 workshops & 10 performances in Denmark, Sweden & Norway from April 15 to 30, 2002			\$2,500
Kinesis Dance Society, BC - Allow them to give 4 workshops & 5 performances of In the Blink of an Eye In Dubrovnik, Croatia, Budva & Kotor, Yugoslavia & Lefkada, Greece from July 28 to Aug 20, 2001			\$6,000
L'Arrière Scene, Quebec - To allow L'Arrière Scene to give 3 performances of Pacamambo in France from Jan 14 to 29, 2002 & from March 7 to April 4, 2002			\$5,000
Le 'Groupe' Audubon, Quebec - Allow Le 'Groupe' to give 7 performances in Digoin, Paris, Belfort & Hazebrouck, France as well as Neuchatel & La Locle, Switzerland from Oct 10 to 28, 2001			\$10,000
Le Carrousel, Compagnie de theatre, Quebec - To allow Le Carrousel, Compagnie de theatre to give 39 performances in Chambéry, Villefranche, Auxerre, Nanterre, Vitry sur Seine, Narbonne, Voiron, La Havre & Reims, France from Jan 5 to March 22, 2002			\$25,000
Le Carrousel, compagnie de theatre, Quebec - Allow the group to give 10 performances of El			
Ogrito in Mexico City & Aguascalientes, Mexico from Oct 6 to 22, 2001			\$12,000
Le Corps Indice, Quebec - Allow Le Corps give 8 performances of Europe 2001 in Athens, Greece, Rome & Milan, Italy & Istanbul, Turkey from May 28 to June 22, 2001			\$5,000
Le Projet Ex Machina, Quebec - Allow them to give 44 performances of The Far Side of the Moon in the Netherlands, Switzerland, Norway, Bosnia Herzegovina, Italy, Germany, Portugal, Belgium, Hungary, the Czech Republic, Poland & Israel from Aug 18, 2001 to June 10, 2002			\$65,000
Le Projet Ex Machina, Quebec - Allow them to give 11 performances of Frida Kahlo in Madrid & Santa Cruz de Tenerife, Spain & Lisbon, Portugal from Feb 18 to July 22, 2002			\$20,000
Le Theatre de l'Opsis inc., Quebec - To allow Le Theatre de l'Opsis inc. to give 20 performances of Je suis une mouette [non, ce n'est pas ca] in Munich, Germany & Villeneuve-d'Ascq, Mulhouse, St-Nazaire & Marseille, France from Nov 18, 2001 to April 28, 2002			\$15,000
La Theatre du Gros Mécano, Quebec - Allow Le Theatre to give 12 performances of Bole-ro in Cherbourg, Caen & Figeac, France from March 10 to 31, 2002			\$10,000
Les Ballets jazz de Montréal, Quebec - Allow them to give 2 workshops & 15 performances in Macau, Singapore, Indonesia, Thailand & China from Nov 19 to Dec 19, 2001			\$50,000
Les Boréades de Montréal, Quebec - Allow Les Boréades to give 19 workshops & 7 performances of Super Flumina Babylonis in Nancy & Paris, France, Prague, Czech Republic & various cities in Belgium from March 10 to 25, 2002			\$10,000
Les Deux Mondes, cie de theatre, Quebec - Allow them to give 25 performances of Leitmotiv in New-Zealand, Australia, Columbia, Costa Rica & South Korea from Feb 17 to June 1, 2002			\$44,000
Les Deux Mondes, cie de theatre, Quebec - Allow them to give 10 performances of Leitmotiv in St. Petersburg, Volgograd & Moscow, Russia, Budapest, Hungary & Berlin, Germany from Sept 22 to Oct 22, 2001			\$20,000
Les Deux Mondes, cie de theatre, Quebec - Allow them to give 35 performances of Mémoire Vive in La Louvière, Woluwe-Saint-Pierre, Ottignies & Tournai, Belgium & Lille, Arras, La Havre, Cherbourg, Quimper, Le Mans & Rennes, France from Oct 13 to Dec 15 2001			\$40,000
Les Deux Mondes, cie de theatre, Quebec - To allow Les Deux Mondes to give 4 performances of L'Histoire de l'oe in Buenos Aires, Argentina from Sept 10 to 18, 2001			\$15,000
les gens d'R, Quebec - Allow them to give 2 workshops & 3 performances of ECHOS in Venice, Italy from July 7 to 14, 2001			\$20,000
les gens d'R, Quebec - To allow les gens d'R to participate in APAP in New York from Jan 11			

Department of Foreign Affairs – Cultural grants

Name	— location	— purpose of funding	— \$ amount
to 15, 2002			\$5,000
Les Grands Ballets Canadiens de Montréal, Quebec - Allow them to perform at the City Center, New York USA, Nov 11 to 19, 2001			\$100,000
Les Productions Alain Caron inc., Quebec - Allow them to give 12 performances of Tournée Europe 2001 in Strasbourg, Besancon, Courrendlin, Belfort, Metz, Boulogne-sur-Mer, Paris, Marseille & Dijon, France & Pavia & Rome, Italy, from Oct 15 to Nov 15, 2001			\$7,000
Les productions Tout a Trac, Quebec - Allow Les productions to give 4 performances in Florenville, Chiny & Marche-en-Famenne, Belgium from Sept 30 to Oct 8, 2001			\$5,000
Luce Rozon - Festival Juste pour rire, Quebec - To allow Luce Rozon to travel to Australia to research local performers & to promote the Festival in Australia from Feb 12 to March 10, 2002			\$2,500
Mad Pudding, BC - To allow Mad Pudding to give 8 performances in the Netherlands & Belgium from Oct 17 to 28, 2001			\$7,000
Maitrise des Petite Chanteurs du Mont-Royal, Quebec - Allow the group to give 2 workshops & 8 performances in Toulouse, Béziers, Saint-Emilion & Bordeaux, France & Codorniu, Montserrat & Barcelona, Spain from June 24 to July 8, 2001			\$10,000
Marilyn Gilbert Artists Management, Ontario - To allow Rita diGhent & her band to give 1 workshop & 5 performances in San Francisco & San Jose, California, USA from July 30 to Aug 10, 2001			\$5,000
Martin Mayer, Alberta - To allow Martin Mayer to give 1 workshop & 17 performances in Beijing & other cities in China from Oct 1 to Nov 16, 2001			\$5,000
Mascalldance, BC - To allow Mascalldance to give 11 workshops & 9 performances in Inverness, Aberdeen, Isle of Skye, Findhorn & Edinburgh, Scotland from Sept 5 to 27, 2001			\$10,000
Mathieu, François et les autres, Quebec - Allow them to give 15 performances of Frouard in Hazerbrouck, Grande-Synthe, Dijon & Rungis, France from Jan 9 to Feb 6, 2002			\$6,000
Mathieu, Francois et les autres..., Quebec - Allow them to give 24 performances in Philadelphia, Pennsylvania & New York from April 14 to May 8, 2002			\$7,000
Megumi Masaki, Manitoba - To allow Megumi Masaki to give 3 workshops & 3 performances in Park City, Utah, U.S.A., & Frankfurt Germany, from Sept 1, 2001 to Feb 24, 2002			\$2,000
Mermaid Theatre of Nova Scotia, Nova Scotia - Allow the group to give 2 workshops & 5 performances of Caterpillar/Cricket in Hong Kong from July 22 to Aug 1, 2001			\$4,000
Mime Omnibus inc., Quebec - To allow Mime Omnibus Inc. to give 8 performances of Beantes Divines in Mexico City, Guanajuato & Leon, Mexico & Reus, Girona & Cadiz, Spain			
		from Oct 10 to Nov 10, 2001	\$10,000
		Modern Times Stage Company, Ontario - Allow the group to give 10 performances of Aurash in Tehran, Iran from Jan 27 to Feb 3, 2002	\$10,000
		Montréal Danse, Quebec - To allow Montreal Danse to give 1 workshop & 18 performances during their tour in Mazatlan, La Paz, Culiacan, Hermosillo & Tijuana, Mexico, In Guatemala City, Guatemala, Santa Fe, United States, Germany & Austria from Sept 10, 2001 to April 29, 2002	\$10,000
		Montréal Danse, Quebec - To provide Montréal Danse with supplementary funding for their tour of Mexico from March 3 to April 5, 2002	\$5,000
		Mortal Coil Performance Society, BC - Allow the group give 3 workshops & 18 performances in Wisconsin, Iowa & North Carolina from Oct 21 to Nov 10, 2001	\$10,000
		Mortal Coil Performance Society, BC - Allow the Society to give 3 workshops & 28 performances in New England, Florida, Washington DC, New Jersey, Maryland, New York, Massachusetts, New Hampshire, Vermont & Florida from March 18 to April 30, 2002	\$15,000
		NEXUS, Ontario - To allow NEXUS to give 4 performances & 4 workshops of NEXUS in Hong Kong, Taiwan, South Korea & Singapore from July 15 to 31, 2001	\$25,000
		Nouveau Theatre Experimental, Quebec - Allow the group to give 16 performances of Durocher le milliardaire at the TILF in Paris, France from Nov 11 to Dec 2, 2001	\$17,000
		Nouvel Ensemble Moderne, Quebec - Allow the group to give 6 performances in Lyon & Saint-Etienne, France, & Brussels, Belgium from March 15 to 29, 2002	\$20,000
		O Vertigo, Quebec - To allow O Vertigo to give 9 performances in Scotland, France, Switzerland, Belgium & England from March 12 to May 4, 2002	\$35,000
		O Vertigo, Quebec - To allow O Vertigo to give performances of LUNA in Europe from March 12 to May 4, 2002	\$9,000
		O Vertigo, Quebec - Allow O Vertigo to give 1 workshop & 2 performances of O Vertigo in London, England from Oct 20 to 26, 2001	\$11,000
		O Vertigo, Quebec - To allow O Vertigo to give 1 workshop & 8 performances in Iowa City, Iowa from Sept 30 to Oct 21, 2001	\$20,000
		Onyx Wind Quintet, Ontario - To allow Onyx to give 5 performances in Munich, Germany from Sept 9 to 22, 2001	\$5,000
		Orchestre de chambre I Musici de Montréal, Quebec - Allow them to give 13 performances in New Hampshire, Rhode Island, Illinois, Louisiana, Pennsylvania, New York, Iowa, Maine & Connecticut, USA from Sept 21, 2001 to May 5, 2002	\$20,000
		Orchestre symphonique de Montréal, Quebec - Allow the Orchestre to give 2 performances at Carnegie Hall of New York City from Oct 27	
		to 28, 2001	\$5,000
		Pierre Schryer, Ontario - Allow the band to give 2 workshops & 16 performances in Fyldie, Stirling, Kinlochbervie, Achiltibuie, Dalguise, Aberdeen in Scotland, Allendale, Bath, Crawley, Sutton, Berriew, Whitchurch & Lea on Sea, in England from Aug 29 to Sept 20, 2001	\$5,000
		PME/ Productions M E de l'art, Quebec - Allow them to give 1 workshop & 2 performances of En francais comme en anglais I Hamburg in Hamburg, Germany from Nov 11 to 18, 2001	\$13,000
		PPS DANSE inc., Quebec - To allow PPS DANSE inc. to give performances of "strata: mémoires d'un amoureux" in Spain from Jan 13 to 20, 2002	\$8,000
		PPS DANSE inc., Quebec - Allow PPS DANSE Inc. to give 9 performances in Oslo & Bergen, Norway, Copenhagen, Denmark & Stockholm, Sweden from Oct 9 to Nov 2, 2001	\$12,000
		Prairie Theatre Exchange, Manitoba - Allow them to give 19 performances of farewell In Edinburgh, Scotland from Aug 5 to 26, 2001	\$70,000
		princess productions /Yvonne Ng, Ontario - To allow Yvonne Ng to give 4 workshops & 4 performances of Stone Velvet in Singapore from July 26 to Aug 6, 2001	\$4,000
		Prydwen I Jennie Bice, BC - Allow Jennie Bice to give 4 workshops & 5 performances in Aberdeen, Speyside & Inverness, Scotland from July 29 to Aug 9, 2001	\$3,000
		Red Sky, Ontario - To allow Red Sky to have 2 meetings & give 1 workshop & 4 performances of The Caribou Song in Berne, Switzerland & Nuuk, Greenland from Aug 30 to Sept 14, 2001	\$20,000
		Renée Robitaille, Quebec - To allow Renée Robitaille to give 7 performances of Contes coquins In Lozère, France from Jan 30 to Feb 20, 2002	\$1,500
		Renée Robitaille, Quebec - To allow Renée Robitaille to give 19 performances of Les contes coquins in Brette les Pins & Champagne-Ardenne France from Oct 19 to Nov 19, 2001	\$1,500
		Repercussion Theatre, Quebec - Allow them to give 49 performances of Shakespeare-in-the-Park Festival of Fools in Texas, New York, Pennsylvania, Ohio & Minnesota from May 1 to Aug 1, 2001	\$7,000
		Ronnie Burkett Theatre of Marionettes, Alberta - Allow the group to give 20 performances in Norway & Germany from June 12 to July 27, 2000	\$60,000
		Royal Winnipeg Ballet, Manitoba - To allow Royal Winnipeg Ballet to give 14 performances of Sleeping Beauty in Kansas, Georgia, South Carolina, Florida, Texas & Michigan, USA from March 23 to April 17, 2002	\$100,000
		Royal Winnipeg Ballet, Manitoba - To allow Royal Winnipeg Ballet to present The Sleep-	

Department of Foreign Affairs – Cultural grants

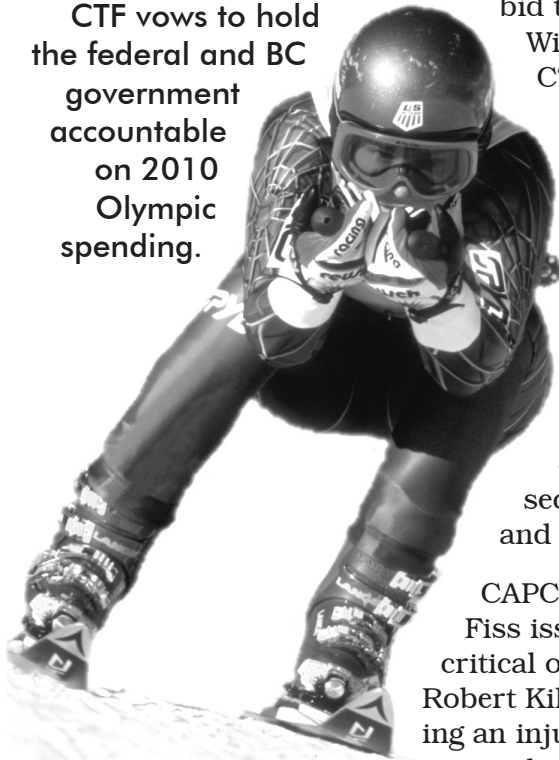
Name	location	purpose of funding	\$ amount
ing Beauty in the South West US from March 24 to Apr11 8, 2002		Tamarack, Ontario - Allow Tamarack to give 15 workshops & 11 performances in England & Scotland from Nov 10 to Dec 2, 2001 \$3,700	2 workshops & 8 performances of Zurbains in Bron, Annemasse & Aulnay-sous-Bois, France from Jan 14 to Feb 13, 2002 \$10,000
Royal Winnipeg Ballet, Manitoba - Allow them to give 31 performances in Hong Kong, Taiwan, Singapore, Malaysia, Macau, China & Japan from June 7 to July 30, 2001		Tanya Kalmanovitch, Alberta - Allow Tanya to give 11 workshops & 5 performances In Dublin, Waterford, Cork & Limerick, Ireland from Sept 14 to Oct 5, 2001	Theatre populaire d'Acadie, New Brunswick - Allow them to give 24 performances of 'puisque le monde bouge' in Limoges, Paris, Fontenay aux Roses, Combs La Vile, Villiers & Auxerre, France from Sept 15 to Oct 7, 2001
Scrap Arts Music, BC - Allow the group to give 3 workshops & 46 performances in Pennsylvania, Illinois, Kentucky, Missouri, Kansas, Florida, Texas, Michigan, Ohio & Wisconsin, USA from Sept 9, 2001 to Feb 25, 2002		Tarragon Theatre, Ontario - Allow Tarragon Theatre to present I, Claudia in Hungary from April 22 to May 4, 2002	Theatre Sans Fil inc, Quebec - Allow them to give tour performances of La "Couronne" in several cities in France from Dec 2 to 16, 2001 & tour performances of "Ravel" in Caracas, Venezuela from March 24 to April 1, 2002
Scrap Arts Music, BC - Allow Scrap Arts Music to participate in Australian Performing Arts Market from Feb 23 to March 3, 2002		The Banff Centre, Alberta - To assist The Banff Centre to support the France/Canada Translation Unit from Aug 19, 2000 to Sept 18, 2001	Theatre UBU, Quebec - Allow Theatre UBU to give 34 performances of Catoblépas in Paris, France from Nov 1 to Dec 18, 2001
Self-Propelled Music/Tom Lewis, BC - Allow them to give 4 workshops & 15 performances in Bathurst, Sydney, Dandenong, Adelaide, Streaky Bay, the Eyre Peninsula, Port Lincoln, Tumby Bay, Victor Harbor & Port Fairy, Australia from Feb 23, 2002 to March 12, 2002		The Borealis Recording Company Ltd., Ontario - Allow it to give 2 performances at the Womex Conference/Showcases in Rotterdam, The Netherlands from Oct 24 to 28, 2001	Toronto Cantata Chorus, Ontario - To allow the chorus to give 8 performances during their Canada Sings tour to the Philippines from Oct 2 to 11, 2001
Simon Gauthier, Quebec - To allow Simon Gauthier to give 5 performances of Corne de Brume in Brest & Aurillac, France from Nov 21 to Dec 4, 2001		The Holy Body Tattoo Society, BC - Allow the Society to give 12 performances In Seattle, Washington State, Iowa City, Iowa, Munich, Germany & Ljubljana, Slovenia from March 12 to April 8, 2001	Toronto Dance Theatre, Ontario - Allow them to give 12 performances in New York City, Billings, Montana & Phoenix, Arizona from Jan 20 to March 2, 2002
Slainte Mhath, Nova Scotia - To allow Slainte Mhath to give 5 workshops & 20 performances in Scotland & England from July 13 to Aug 11, 2001		The Holy Body Tattoo Society, BC - Allow the Society to give 14 performances in Texas & Illinois, USA, Scotland, The Netherlands, Germany & England from Oct 30 to Dec 16, 2001	Trampoline Theatre, BC - Allow them to give performances of Platonic: Unheimlichkeit in Germany from May 1 to 31, 2001
Slainte Mhath, Nova Scotia - To allow Slainte Mhath to participate in BBC Folk Awards in London from Feb 9 to 17, 2002		The Holy Body Tattoo Society, BC - Allow the Society to give a performance in Wuppertal, Germany from Oct 22 to 29, 2001	Trio Fibonacci, Quebec - Allow the Trio to give 1 workshop & 8 performances of European Tour, Oct 2001 In Versailles & Paris, France, Oxford & London, England, Brussels, Belgium, Amsterdam, The Netherlands, Berlin, Germany & Rome, Italy from Oct 12 to 27, 2001
Smythe & Saucier, Quebec - To allow Smythe & Saucier to attend several conferences & give showcase performances in the US from Sept 6 to Oct 7, 2001		The Holy Body Tattoo Society, BC - Allow the Society to give 20 performances of "our brief eternity" in Europe & Argentina from June 19 to July 30, 2001	TUYO inc., Quebec - To allow TUYO Inc. to give 60 performances of Rouge de Vinci in Pennsylvania, New York, the District of Columbia, Ohio, Illinois, Michigan, Florida, Louisiana & Texas, USA, France & Belgium from Feb 9 to May 17, 2002
Someone Else International, Quebec - To help the group organize a cultural business trade mission to Popkomm 2001 in Cologne, Germany from Aug 15 to 20, 2001		The Jazz Solution, Ontario - To enable The Jazz Solution to invite foreign buyers to The Canadian International Jazz Conference in Toronto from Nov 2 to 4, 2001	Uzume Taiko, BC - To allow Uzume Taiko to give 18 performances In France, Belgium, The Netherlands & Germany from Oct 16 to Nov 11, 2001
Sondasky, Quebec To allow Sondasky to give 56 performances in Kwangju, South Korea from Sept 24 to Oct 31, 2001		The Laws, BC - Allow them to give 10 workshops & 22 performances during their Australia tour, in various cities including Canberra & Melbourne from Sept 17 to Nov 5, 2001	Vancouver Chamber Choir, BC - Allow the Choir to give 3 workshops & 4 performances in Mount Pleasant, Iowa City & Des Moines, Iowa & Dayton, Ohio, USA from March 10 to 16, 2002
Stephane Lemelin, Ontario - To allow Stephane Lemelin to give 7 performances & 1 workshop in Hong Kong & Harbin, China, Madras & Vellore, India & Osaka, Japan, from Nov 13 to Dec 9, 2000		Theatre Beyond Words, Ontario - Allow them to give 11 workshops & 11 performances of Images in Action in Pontevedra, A Coruña & Madrid, Spain from July 11 to 30, 2001	Victor Feldbrill O.C. O. ont, Ontario - To allow Victor Feldbrill O.C. O. To give 1 performance with Prague Philharmonia in the Czech Republic from Feb 23 to 28, 2002
Suroit (1992) inc., Quebec - To allow Suroit (1992) Inc. to give 14 performances in Scotland, France & Switzerland from July 15 to Aug 8, 2001		Theatre de la Vieille 17, Ontario - Allow them to give 4 performances of Maita in Mexico City, Mexico from April 10 to April 20 2002	Volcano, Ontario - Allow Volcano to give performances of Lambton Kent in Edinburgh, Scotland from July 23 to Aug 27, 2001
Système D/Dominique Porte, Quebec - Allow Système D/Dominique Porte to give 4 performances of Saison du Québec in New York from Sept 24 to Oct 1, 2001		Theatre de Quat' Sous, Quebec - Allow them to give 7 performances of Novecento in Edinburgh, Scotland from Aug 5 to 19, 2001	West Moon to Ireland Inc., Newfoundland - Allow it to give 15 performances in Waterford, Cork, Kilkenny, Gaiway & Dublin, Ireland from Oct 31 to Nov 20, 2001
Tafelmusik, Ontario - To allow Tafelmusik to give 2 workshops & 7 performances In Palo Alto, Davis, Carmel & Los Angeles, California & Olympia, Kirkland & Bellingham, Washington, USA from Jan 23 to 31, 2002		Theatre du Nouveau Monde, Quebec - To allow the Theatre to tour to Paris, France from Feb 12 to April 1, 2002	
Tafelmusik, Ontario - Allow Tafelmusik to give 6 performances in Berlin & Irsee, Germany from Aug 23 to Sept 6, 2001		Theatre Gargantua, Ontario - Allow it to give 6 workshops & 21 performances of Phantom Limb in Manchester, London, Liverpool, Leicester, Dartington, Northampton & Bath, England & Mold Camarthen, Swansea & Cardiff, Wales-Nov 2 to Dec 2, 2001	
		Theatre Le Clou, Quebec - Allow them to give	

Around *the* CTF

Each month CTF offices in five provinces and Ottawa handle hundreds of media interviews and inquiries, hold press conferences, publish reports, make presentations to government and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. CTF representatives also speak at functions and organize major campaigns nationally and in the provinces that lead to public policy change. The following highlights activities for the months of July and August 2003:

JULY

CTF vows to hold the federal and BC government accountable on 2010 Olympic spending.



BRITISH COLUMBIA/
FEDERAL: Vancouver/
Whistler is successful in its bid to host the 2010 Winter Games. The CTF warns that costs can quickly spiral out of control (ala 1976) and vows to hold both levels of government accountable to stick to their budgets and encourage private sector participation and sponsorship.

CAPC: Director Tanis Fiss issues a statement critical of Nunavut judge Robert Kilpatrick granting an injunction that exempts the Inuit from compliance with the federal firearms registry. Other native groups are lining up for a similar exemption. The CTF, long opposed to the gun registry, asks if some gun owners are more equal than others?

ONTARIO: The CTF issues its first comprehensive re-

port on municipal spending comparisons. The Municipal Performance Measurements Report Card collected 12 sets of spending measures for 2000 and 2001 from 70 Ontario municipalities. Stated director John Williamson, "taxpayers can compare the results from their hometown with other municipalities, and where necessary press for spending changes."

SASK: Documents obtained and released by the CTF reveal the provincial government's much maligned 'Our Future is Wide Open' campaign has cost taxpayers \$4.3-million in its first nine months – fully \$2.3-million over budget – with plenty more to be spent before a soon-to-be-called election.

ONTARIO: Director John Williamson tackles a 25% MPP pay raise scheduled to take effect after the provincial election. A CTF campaign including a letter to the Integrity Commissioner, two published editorials, and numerous print and radio interviews raises public opposition. Soon,

Around *the* CTF

all three party leaders come out against it. The Integrity Commissioner then seals the deal by stopping the increase from going forward.

AUGUST

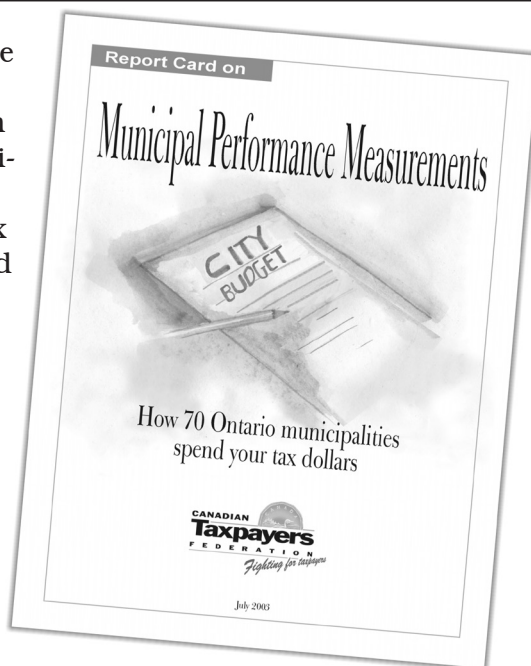
FEDERAL: The CTF reacts unfavourably to a \$1.25-billion bribe-Canadians-with-their-own-money-scheme as part of the federal government's ongoing Kyoto compliance plan. The latest chapter includes grants for home energy upgrades, labelling of off road vehicles (including lawnmowers) and advertising campaigns. The CTF's estimate of Kyoto costing the average Canadian household \$2,700 is looking increasingly modest!

BC: The CTF issues a statement wary of the federal and provincial government's \$1.7-billion investment in the Richmond-Airport-Vancouver (RAV) rapid transit line. Justification of the line as an investment for the Olympics does not wash and speculation is already afoot that costs will be much higher than budgeted.

ALBERTA: The first quarter fiscal update for 2003-04 shows the government receives \$7,400 per Albertan in revenues. Spending on government programs

is up by 65% since 1996, while Alberta's population grew only 14%. Director John Carpay states that tax increases imposed by the Klein government last year were completely unnecessary.

MANITOBA: From the I-told-you-so-file. Winnipeg-based Motor Coach Industries may soon be belly up. The CTF warned a \$20-million taxpayer-backed package to the company in 2002 was wrong-headed. Now it appears the company is unable to meet its payment obligations.



The CTF issues its first comprehensive report on municipal spending comparisons in Ontario.

Activity Report July and August 2003

Office	Media Interviews	Events/Speeches/ letters/Releases/ Reports/Meetings/Etc
Ontario	135	14
Federal	131	13
Manitoba	70	8
Sask	38	15
Alberta	37	27
CAPC*	23	5
BC	15	1
Total	449	83

* Centre for Aboriginal Policy Change

By Tanis Fiss and
David Hanley

Has the BC government gone

RAV-ing Mad?

If a mountain-top sage were settled atop one of B.C.'s higher peaks, he might cast a hairy eye on the provincial government's proposed \$1.7 billion rapid transit line, and sigh in frustration: "Yet again, in order to learn, they must be punished."

British Columbians are too aware of how mega-projects can turn into fast-ferry-style punishments. And yet, so soon after the lessons learned (supposedly) from the past NDP government's follies, is the Richmond-Airport-Vancouver (RAV) rapid transit line the next NDP-style debacle in the making?

The RAV line, a proposed public-private partnership (P3), would connect Richmond, the Vancouver airport and central Vancouver using an above-ground and under-ground rail system. The project is estimated to cost \$1.7 billion. In this case, 'estimated' is a euphemism for 'wild guess reinforced by crossed fingers.'

A recent study by a group of Danish academics, published in the *Journal of the American Planning Association*, showed that a staggering 90 percent of 258 large-scale projects (rail, bridges, highways, etc.) in 20

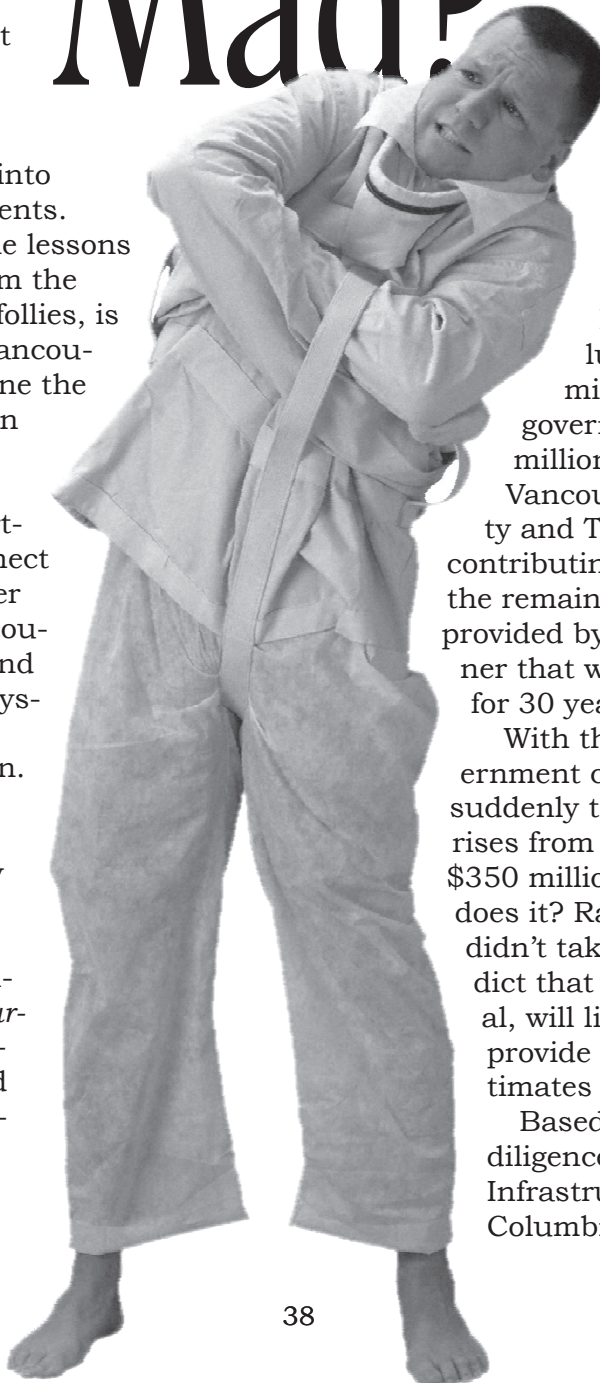
countries went over budget. The average overrun was 28 percent, but reached as high as 45 percent over initial estimates for rail lines. As the *Vancouver Sun's* Vaughn Palmer warned taxpayers in one of his columns: "If the RAV were to fall within the range of overruns suggested by the study – 28 to 45 percent – then it could end up costing between \$2.2 billion and \$2.5 billion."

Fast-ferry sick bag, any one?

To help finance the RAV project, British Columbia requested \$450 million from the federal government. They got \$300 million. The province, the Vancouver Airport Authority and TransLink are also each contributing \$300 million, with the remaining ton of loot to be provided by a private sector partner that would operate the line for 30 years.

With the reduced federal government contribution, however, suddenly the private sector share rises from a previously anticipated \$350 million to \$500 million. Or does it? Rather, would it ever? It didn't take a foreign study to predict that B.C. taxpayers, as usual, will likely be called upon to provide a life raft when cost estimates go overboard.

Based on a June 2003 "due diligence" report conducted by Infrastructure Canada, British Columbian taxpayers should be



British Columbia

concerned that NDP ghosts have infiltrated the critical thinking capacity of B.C.'s Liberal government. The federal report says the transit line faces significant cost overruns, limited ridership, won't reduce traffic congestion, and will be, at best, non-effective at reducing greenhouse gases.

Even more astonishing, the provincial and regional authorities advanced the \$1.7 billion estimate figure several months ago, without having a list of all potential costs. For example, the geophysical cost estimates for the tunnelling portion of the RAV line (which comprises in part sub-surface conditions, groundwater, bedrock and faulting costs) will not be known until October 2003. How did the province and regional authorities come up with the \$1.7 billion figure? Did they use a crystal ball, or was there another optical illusion that Premier Campbell had his eye on?

In pressing the federal government to join this RAV-ing mad exercise, Mr. Campbell and his officials said that time was running short for the project to be approved, in order for the line to be ready for the 2010 Olympics.

The clincher: Sam Corea, spokesman for

those organising the 2010 Olympics, said the RAV line is not crucial to the *transportation needs* [our emphasis] of the Games.

If not for transportation, then what other

need would be so important to rush ahead with a project which, by all reasonable accounts, could be the provincial Liberals' boondoggle legacy project to

rival the NDP's fast ferries?

Our mountain guru might see it as an inability to learn; taxpayers should see it as yet another political party's obsession with its own murky visions. ■

“If the RAV were to fall within the range of overruns suggested by the study – 28 to 45 percent – then it could end up costing between \$2.2 billion and \$2.5 billion.”

CTF APPOINTS NEW BC DIRECTOR

The CTF is very pleased to welcome David Hanley as your new BC director working from Victoria. David recently returned to Canada after spending the last two years in Italy where he worked as a staff writer for the Milan bureau

of the *International Herald Tribune*, and as a freelance writer for various Canadian publications.

David has spent the last 13 years in journalism and publishing, including positions as an editorial writer with the *Ottawa Citizen* and as managing editor at Vancouver's *Equity* magazine. He also

worked at the Fraser Institute as communications director. David is a former army officer and graduate of the Royal Military College of Canada.

BC taxpayers will be well served by David's extensive experience in leadership and communications positions, and by his track record as an uncompromising advocate of holding government accountable to the electorate.

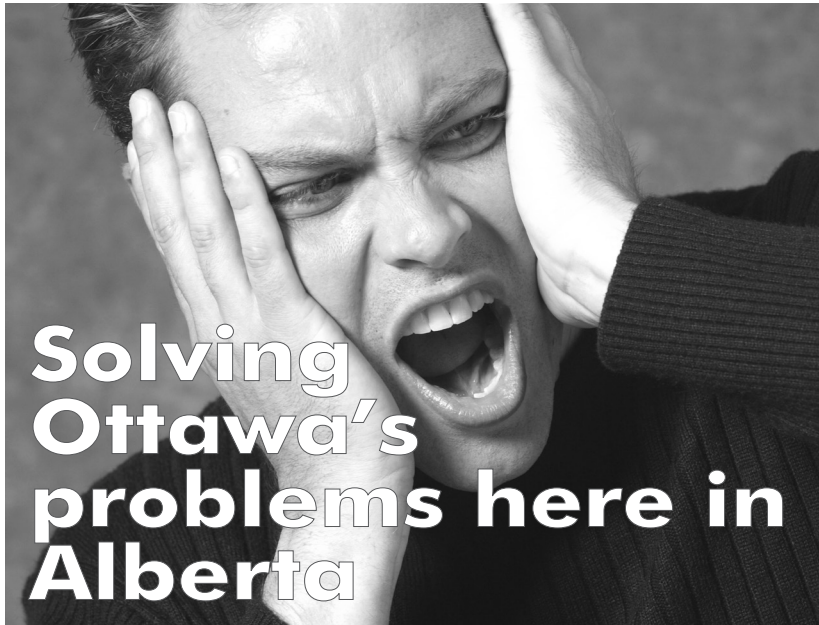


Hating Ottawa comes naturally to most Albertans, but it serves no useful purpose.

Federal taxes are higher today than they were ten years ago. Canada's democracy is weakened by judges who dictate social policy, and by politicians who cheerfully allow those same judges to get away with it. Parliament is a rubber stamp, giving legal authority to what has already been decided behind the closed doors of the Prime Minister's Office and the Liberal Party caucus.

Between elections, Canadians have no power at all to put forward legislative proposals or push for referendums on issues of national importance. Nor can Canadians ever recall their own MP, regardless of how corrupt, dishonest or incompetent he or she may be. Politicians can raise taxes at any time for any reason, without any accountability until the next election.

And, of course, that next election might be years away,



Solving Ottawa's problems here in Alberta

“Is Alberta really that different from Ottawa?”

and it might be dominated by issues other than taxes.

Actions speak louder than words

What should Albertans do?

Rather than complain incessantly about Ottawa, Albertans should lead by example and clean up their own act at home, provincially.

Is Alberta really that different from Ottawa?

Before saying “yes,” consider these facts: Alberta's spending on government programs is 65% higher than seven years ago,

while Alberta's population grew only 14% during

the same period. So much for smaller government and fiscal conservatism. Premier Klein raised Alberta provincial taxes in 2002, despite his 2001 pre-election promise that “the only way taxes are going is down.”

Like our federal Parliament, the Alberta Legislature is a rubber stamp,

giving legal authority to what has already been decided behind the closed doors of the Tory caucus and the Premier's Office. In Alberta you can't hold your MLA accountable because you have no idea what he or she said – or how he or she voted – inside the caucus meeting. Votes in the Legislature are a foregone conclusion, because the real decisions are made inside the Premier's Office and confidential party caucus meetings.

Like Canada's federal politicians, Alberta's MLAs can raise taxes at any time for any reason – even if this violates a clear election promise. There is no effective taxpayer protection legislation in Alberta. Nor is there legislation to limit growth in government spending. Since 1997, your CTF has called for a law like that in the state of Washington, which limits growth in government spending to in-

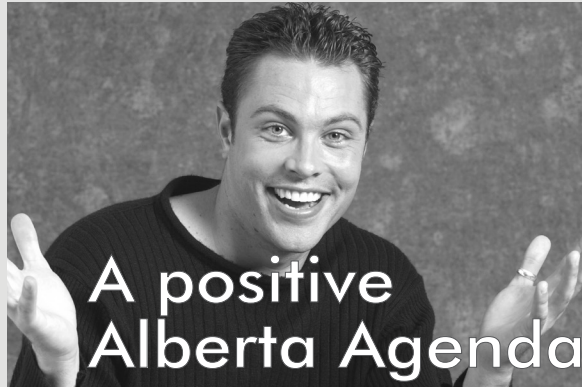


by John Carpay
Alberta Director

flation and population growth. So far, Premier Klein's government has rejected the CTF's proposal. It's no wonder spending is up 65% while population grew just 14%.

“Like our federal Parliament, the Alberta Legislature is a rubber stamp, giving legal authority to what has already been decided behind the closed doors of the Tory caucus and the Premier's Office.”

Just like federal elections, provincial elections are called at the whim of the Premier, for a date which benefits the government party. Between elections, Albertans have no power at all to put forward legislative proposals, or to push for a referendum on an important issue. Albertans can never recall their own MLA, regardless of how corrupt, dishonest or incompetent she or he may be.■



Complaining about Ottawa solves nothing. Albertans need to lead by example, and start practicing democratic accountability at home.

1 The Alberta Legislature should pass taxpayer protection legislation, requiring that any new taxes or tax increases be put to voters for their approval in a province-wide referendum. This law would put the onus on politicians to explain and justify why they want to take a larger share of Albertans' earnings.

2 Citizens' initiative legislation would give Albertans the right to initiate and vote in referendums on important issues of their choice. According to a 2001 *Environics* poll, 79% of Albertans want this legislation, but the Klein government has thus far failed to introduce it.

3 Spending control legislation would limit the annual growth in government spending to Alberta's population growth and inflation.

4 The Alberta government should not hesitate to use *Section 33* of the *Charter* (the notwithstanding clause) to opt out of bad court decisions, especially when judges impose their personal social agendas

in the absence of public input and debate.

5 MLAs should freely debate and vote on issues in full public view in the legislature, not just inside their confidential party caucus meetings.

6 There should be fixed dates for elections – like in British Columbia, to prevent the Premier and government party from manipulating events and timing to their partisan advantage.

7 Albertans should have the right to recall an MLA under certain circumstances. No person should be completely immune from getting fired for a period of five years. MLAs are no exception.

Rather than whine about the lack of accountability at the federal level, Albertans should start practising it themselves. Actions speak louder than words.■

Saskatchewan unions distort facts on liquor privatization

When it comes to over-the-top propaganda, the only organization better than former Iraqi Information Minister Mohammed Saeed al-Sahaf is the Saskatchewan Government Employees Union (SGEU).

The SGEU recently launched a campaign to raise awareness about the evils of liquor privatization, and motivate their “brothers and sisters” to speak out against any hint of such an initiative. Part of their campaign is a “fact sheet” distributed to the media for talk-show fodder. Let’s take a moment to review some of their “facts.”

SGEU “fact” #1: Liquor store privatization means less government revenue for health, highways and education.

Alberta’s switch to private liquor sales has been revenue neutral for government. In Alberta’s privatization model, the province maintains control over liquor distribution and its markup, meaning the province col-

lects exactly the same amount of tax as they did under the government monopoly – without the capital costs and overhead related to operating liquor stores.

SGEU “fact” #2: Liquor prices are lower in Saskatchewan than in Alberta.

The SGEU lists several alcoholic beverages that are modestly cheaper in Saskatchewan than in Alberta. They are clearly cherry picking these items as the majority of products are cheaper in Alberta than in Saskatchewan.

A test “case”: A case of Molson Canadian beer in Alberta will run you \$16.98 (taxes and deposit in), and that same case will cost you \$17.25 in Saskatchewan.



by David MacLean
Saskatchewan Director

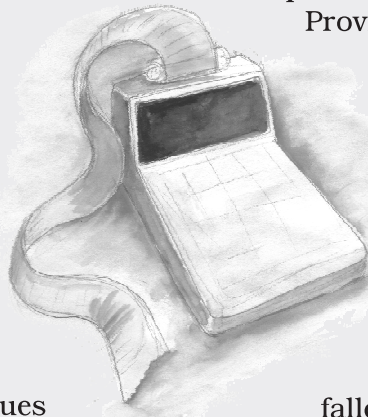
SGEU “fact” #3: Public liquor stores promote socially responsible sale of alcohol.

According to a Calgary Police Service (CPS) report, crime rates related to liquor stores haven’t changed since before privatization.

Provincial Auditor slams province’s finances

Provincial Auditor Fred Wendel must be getting pretty darn tired of hearing his own voice. In the latest installment of a never-ending series of reports, the Provincial Auditor dropped the hammer on the provincial government for their inability balance the provincial budget.

It’s the same old story. While the province continues



making embarrassing declarations that the provincial budget is balanced, the

Provincial Auditor confirmed that the government borrowed \$650 million more than it earned last year – an amount roughly equivalent to the combined annual budgets of the departments of social services and transportation.

Compared to these guys, Roy Romanow was a tight-fisted fiscal conservative. Oh, how far we have fallen.

SGEU “fact” #4: Public Liquor Stores offer excellent product selection.

Maybe if you compared Saskatchewan stores to those in Sudan. According to Alberta Liquor and Gaming, Alberta currently lists nearly 19,000 alcoholic beverages for sale. In Saskatchewan, they list a paltry 2,100 – that’s a difference of 17,000.

SGEU “fact” #5: Public liquor stores offer good jobs with decent wages

You want to talk about jobs? Since privatization, the number of jobs in the liquor retailing business increased from 1,300 to 4,000 in Alberta. In addition, the number of stores in Alberta jumped from 304 in 1993 to 907 fully private stores in 2001.■

Spudco watch

Spudco, the province’s failed foray into the potato storage and french fry business, is still a hot topic in Saskatchewan as residents wait for the other shoe to drop. “The Other Shoe” in this case is the results of the civil lawsuit filed by private businesses that were directly harmed by the province’s bungling.

If the province loses in court, taxpayers will be on the hook for tens of millions – in addition to the \$28 million already lost.

The CTF filed a request through Freedom of Information legislation to obtain the total amount spent by the government defending itself in court.

SaskWater President Stuart

Kramer denied us access

to the information on

the grounds that it

falls under attorney client privilege.

We’ve already filed

for review and

Saskatchewan’s

information commissioner is looking at the documents in question.

Watch for the next issue of *The Taxpayer* for an update on the Spudco debacle. A criminal complaint filed by the CTF with the RCMP commercial crimes unit is still being investigated.



Wide Open Future Watch

The CTF discovered through a Freedom of Information request that the province’s “Our Future is Wide Open” campaign – a blatantly partisan taxpayer-funded NDP re-election campaign – is \$2.3 million over its original \$2 million budget.

When asked about the cost overruns, provincial officials loudly claimed our allegations were “completely false” without offering a lick of evidence to back them up.

The CTF challenged the province publicly to “show us the budget” for

the campaign and prove us wrong. We received no response. We then submitted a Freedom of Information request asking for the original budget for the campaign, but were denied access on the grounds that such information was advice to cabinet, and the public has no right under the law to access it.

We have since filed a request for review with the Information and Privacy Commissioner on the grounds that the public has the right to access the budget for any public expenditure. We’ll keep you posted.



Desperate times call for desperate measures

In the hamlet of Tilston a storm is brewing over school taxes where the Reeve of the RM of Albert is withholding \$395,000 in school taxes from the provincial government, and is refusing to collect next year's school taxes from cash strapped ranchers and farmers.

What's interesting about this case is there is no question that it's illegal for the RM to take this action as they are bound by law to collect school taxes and hand them over to the school divisions. But desperate times have called for desperate measures and this appears to be the only way to get the provincial government to listen up.

School and municipal property taxes are becoming a crisis in Manitoba, as major discrepancies still exist from one RM to another regarding the portion of school taxes generated from farmland. Even though the ESL is coming down in Manitoba, little to nothing has been done to address the overall problem.

Manitoba isn't the only province that is feeling the crunch on the property tax front — Saskatchewan's rates are also spiralling out of control. Our neighbour to the west depends on a staggering 60 per cent of school funding to come from school taxes on property. One difference between the Saskatchewan and Manitoba experience is the government there has listened to the desperate pleas of their rural communities and

announced
a school

tax review commission - the same needs to be done here.

It's clear the property tax burden is unaffordable and the province should conduct a comprehensive review of the school tax system to explore alternative education funding mechanisms.

It is also time we looked at school boards to determine whether they are still relevant. Perhaps this cumbersome layer of bureaucracy should be removed and replaced by voluntary committees to oversee our schools. The province should also consider extending the scope of the Taxpayer Protection Act to municipalities and school boards so that all school and municipal tax increases

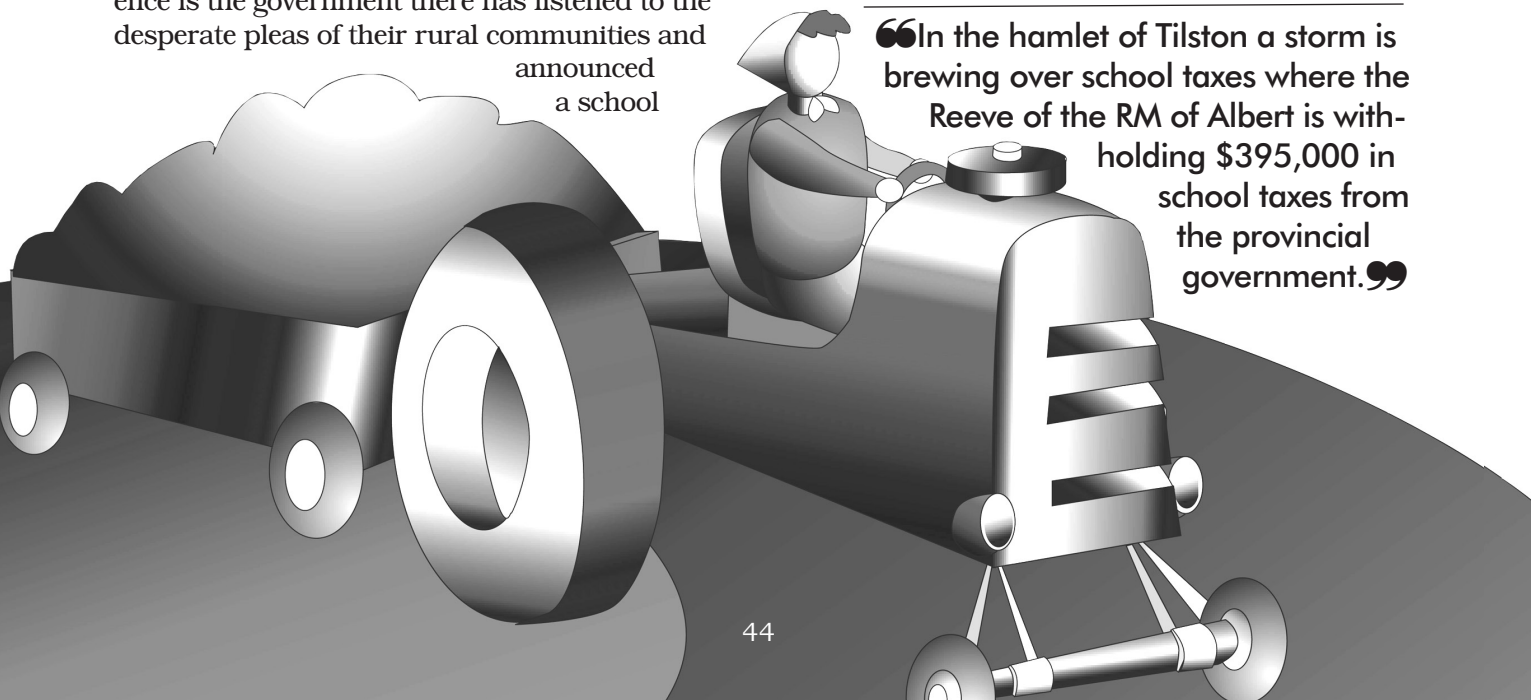
must first be passed by voter approval through referendum.

The provincial government needs to act now before more RMs are forced to stop collecting school taxes. Rather than telling councillors to stop playing games, the province should be taking some of its own advice and stop playing with the livelihood of thousands of Manitobans. A review commission would be a good first step to show our rural communities that this government recognizes there is life beyond the Perimeter Highway.■



by Adrienne Batra
Manitoba Director

“In the hamlet of Tilston a storm is brewing over school taxes where the Reeve of the RM of Albert is withholding \$395,000 in school taxes from the provincial government.”



Motor Coach Industries The Saga Continues

by Adrienne Batra

Remember WinnPort, Isobord and the Winnipeg Jets? All of these businesses received public funds and now, they are nowhere to be found. Come January 2004, we may have to add one more to the list of failed government subsidized businesses, bus manufacturer Motor Coach Industries (MCI). With a workforce of over 1300 employees, MCI is facing massive layoffs due to poor market conditions resulting in lower demand for coaches.

When the announcement was made by the three levels of government in 2002 to provide MCI with \$20 million, the CTF warned the bus manufacturer could suffer the same fate as the other businesses mentioned above. Despite these warnings and no guarantee of jobs or financial success, the government adamantly plowed ahead and gambled away millions of tax dollars. So once again, taxpayers are left footing the bill and yet so many questions remain unanswered about the deal signed with MCI a year ago. The company has been all but mum since the layoffs were announced and as for the three levels of government, the same old

platitudes were given: "very concerned . . ." stated Mayor Glen Murray, "to hear news like this brings me grief" offered up MP Rey Pagtakhan.

When MCI was shopping around for a new location last year, politicians came running to bribe the bus manufacturer to stay in Winnipeg. Proponents of the deal argue that the subsidies would cre-

ate (even save) jobs and expand the economy. Sadly, there is no real evidence of that. Corporate welfare distorts the marketplace because a subsidy or tax break for one business comes at a cost to another. It also takes away from more broad-based tax relief which all Manitobans could have enjoyed. Business subsidies create an uneven playing field since companies that do not receive government assistance indirectly subsidize

their government-supported competitors through their corporate income taxes.

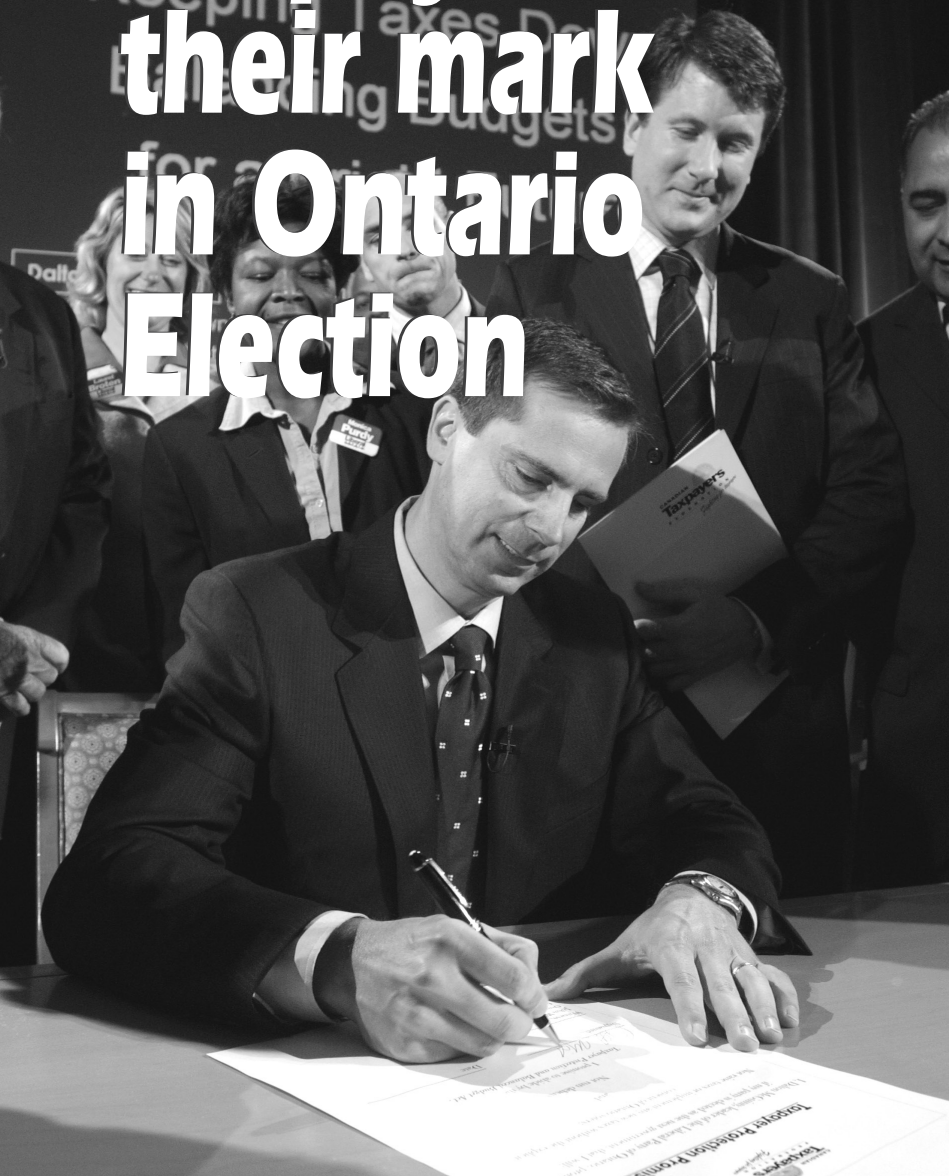
Premier Doer now says that there will be penalties if the company does not meet its commitment to paying back its government loan.

But that could mean taking MCI to court to recover costs, so once again taxpayers will have to pay. Maybe it is time to remind the premier that he broke his 1999 election promise to remove direct subsidies to business.■

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Taxpayers make their mark in Ontario Election



by John Williamson

Elections are normally a time when groups like the CTF are forced to take a back seat to the candidates. There is only so much airtime available in a campaign and news editors want to give much of it to politicians. But this Ontario campaign has been a little different. Your CTF has been front and centre advancing the common interests of taxpayers and ensuring that politi-



by John Williamson
Ontario Director

cians do not forget the people who pay the bills.

Several weeks before the election was called we demanded that a proposed 25 per cent pay increase for Members of Provincial Parliament be squashed. In the past three years, Ontario lawmakers have received a 9.3 per cent pay hike. The additional 25 per cent jump after the election would be a 36.6 per cent pay package increase — a figure that is completely out of line with the public's expectations. Lawmakers passed the raise in 2001 long before the election when they thought nobody was watching them. But we were.

The Conservatives and Liberals tried at first to ignore the CTF. But we knew the issue would not sit well with Ontario taxpayers and we started to beat the drums. We wrote opinion pieces that appeared in several Ontario newspapers and publicly urged MPPs to stop the pay package. And guess what?

Only days before the election was called Premier Eves signalled that he suddenly favoured a smaller pay increase. He asked the province's Integrity Commissioner to exam-

ine the issue. But that was not good enough. We wanted to know what pay level was acceptable to party leaders. They wanted to hide behind the Commissioner; taxpayers wanted clarity before the vote.

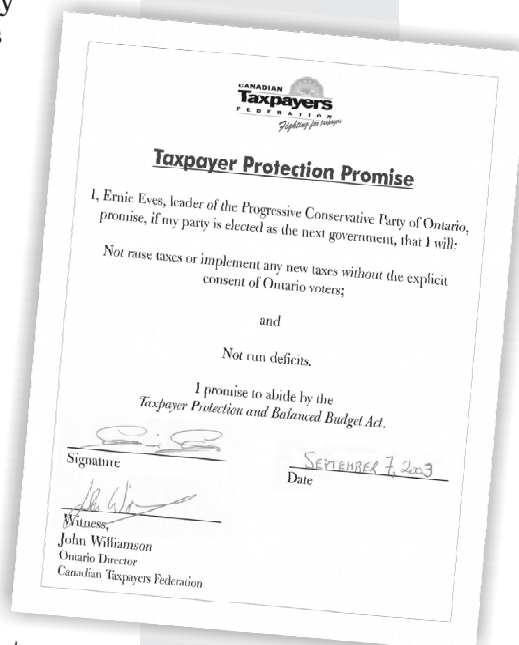
As the pressure mounted they finally came clean. The New Democratic party said no additional pay was necessary. Mr. McGuinty said the 25 per cent pay raise should be cancelled and any salary increases should be no more than the cost of living. This mirrored a

CTF proposal to link MPP pay to the cost of living. Mr. Eves refused to say what level he wanted except that it should be lower.

With the three party leaders all stating the pay raise should not go ahead, the Integrity Commissioner's job became easy. By the end of the first week of the campaign he recommended that MPPs withdraw the pay raise and limit any future increases to the cost of living. Most politicians were probably not pleased to lose their raise, but taxpayers certainly were.

That victory was small potatoes compared to what came next. For several months, the CTF has been promoting the idea of the party leaders signing a Taxpayer Protection Promise during the election campaign. Signing it would commit the leaders to abide by the *Taxpayer Protection and Balanced Budget Act*, and, specifically, "not raise or implement any new taxes without the explicit consent of Ontario voters, and not run deficits." The pledge was clear so the politicians could not wiggle out of it after the election.

The Conservative and Liberal campaign teams at first wanted nothing to do with our pledge. But we were not deterred. The *Taxpayer Protection and Balanced Budget Act* is the most important piece of legislation protecting Ontario taxpayers from tax-happy politicians. The law provides all taxpayers with predictability in budgeting, in their tax levels, and, most important it gives voters the final say when it comes to raising provincial taxes. Defending it is the number one priority for the Ontario wing of the CTF. And we



felt it was an important election issue because Mr. McGuinty was promising to raise taxes if elected; (Mr. Eves had amended the law in 2002.)

So we lobbied the parties, promoted the idea to members of the media, and basically, would not shut up about it. And in the second week of the campaign the CTF printed three placards and issued a public challenge, asking: Who Will Sign the Taxpayers' Pledge?

What happened next surprised even the old hands around the CTF. Less than 24 hours later, Mr. McGuinty agreed to sign the pledge the following morning. His quick response to the challenge surprised the Conservative campaign. Mr. McGuinty publicly signed the CTF pledge and a copy with Mr. Eves' signature was delivered to our Toronto office. (The NDP told us not to hold our breath waiting for a response.)

It is great news that both Messrs. Eves and McGuinty signed the CTF promise. They made it a priority to respect taxpayers and acknowledged that provincial taxes cannot be raised without the public's consent. Every media outlet in the province carried the story: Politicians promise to respect Ontario taxpayers.

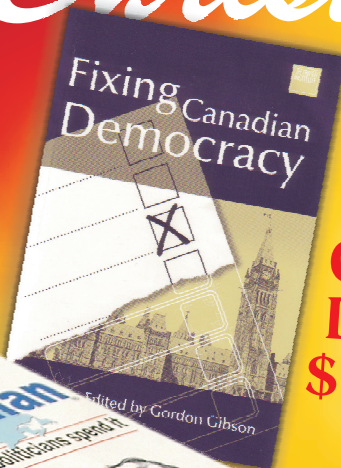
With these two pledges signed, sealed and delivered to us, your CTF will hold the next government to this problem. And if that promise is broken our campaign against that government will be louder than ever.■

“In the second week of the campaign the CTF printed three placards and issued a public challenge, asking: Who Will Sign the Taxpayers' Pledge? ... Less than 24 hours later, Mr. McGuinty agreed to sign the pledge the following morning.”

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